

BUDAPEST BUSINESS SCHOOL
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**CUSTOMER SATISFACTION IN THE BOUTIQUE HOTEL: A CASE
STUDY IN STORIES BOUTIQUE HOTEL BUDAPEST**

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1. Introduction

1.1 Research background

Customer satisfaction and service quality are crucial components of any strategy for achieving competitive advantage and retaining customers. Additionally, customer satisfaction and service quality are vital aspects as an accomplishment for most organization, Gronoos (1990). Moreover, businesses are made to service a consumer, Valdani (2009). The key to sustaining recognition is to serve excellent quality service which generates in making consumers satisfied, according to Shemwell et al (1998), this term refers to sticking to the premise which the customer is the end user of the goods or service, however in many circumstances, the purchaser is the final user, according to Giser & Cote (2000). Customer satisfaction, according to Hill (1996), happens when a consumer's impression meets or surpasses his or her expectations. On the other hand, Hunt (1977) defined customer satisfaction as a consumer's imagined appraisal of his or her consumption experience.

Customer satisfaction is imposed by the customer's consciousness of the benefit received from a purchasing or relationship, where the benefit equals to expected service quality, in comparison to the value predicted from purchases or connections with competitor business providers. Zeithaml et al (1990). Businesses which can expeditiously comprehend and satisfy customers' necessity tend to make enormous earnings than those which unsuccessful to comprehend and satisfy the customers, Barsky & Nash (2003). The necessity for excellent products and services in the tourism business has grown rapidly apparent to experts, according to Lam & Zhang (1999). Enhancing customer relationships is a strategic advantage for the organization. Gruen et al., (2000). Because of the extremely favorable link between customers' overall satisfaction and the likelihood of their re-visiting the same place, it is becoming increasingly important for hotels to cultivate long-lasting, mutually beneficial relationships with their customers. Choi and Chu (2001). Positive word-of-mouth (WOM) and higher rates of repeat business are two of the many benefits that may be derived from this type of interaction with hotel visitors. Kim et al., (2001).

Providing a consistent excellent quality service and increasing customer satisfaction are highly considered as vital aspects affecting the operation of hotels and tourism businesses. According to Barsky & Labagh (1992), hotels with excellent service enhances profitability. In

this very competitive hospitality business which offers basic services, most of the staff and management must be able to accomplish customers' satisfaction better than their competitors, Choi & Chou (2001). According to Rutes et al. (2001), the boutique hotel's emergence is widely regarded as an inventive response to the hotel industry's standardization and commoditization; as a result, many people now consider boutique hotels as their preferred place to stay and expect a level of service they have not previously encountered.

An actual case study will be presented in this dissertation after a review of the literature on customer satisfaction and recognition in the hotel business (Stories Hotel Budapest). Since the writer has worked in this hotel for the past year in the Front Office Department and receiving much feedback from the guests through email, booking platform or even direct feedback. Thus, this will be essential to review and analyze the feedback whether the guests reach their satisfaction. The data will be analyzed using a methodology which is quantitative. The SERVQUAL scale by Parasuraman et al. (1988) was used as the principal survey instrument. The online questionnaire comprised 5 dimensions which each contained 32 items respectively for measuring expectation and perception scale. To evaluate the result, they identified and elaborated concepts which refer to indicators of measuring service quality by using the SERVQUAL model and dimension from the literature review. Also, online review observations by the guest from an online travel agent (OTA) specifically Booking.com. The reviews will be interpreted to which attributes it concerns about and analyzed to support the data from the guest related to each dimension. To conclude, there includes a discussion of the results and proposed enhancements to the hotel's customer satisfaction management.

1.2 Research aims and research questions

The importance of knowing the satisfaction from the guests is considerably substantial for the management to advance the quality of the service. Moreover, customer satisfaction is regarded as the front line to create customer loyalty. As acknowledged, customer satisfaction can occur once a customer's attention meets or exceeds his/ her expectations. When it comes to Oliver's definition of satisfaction (1997), it is defined as the consumer's reaction to the product's features and/or the product or service itself that delivers a satisfying level of consumable contentment. Levels of dissatisfaction, according to Skogland (2004), are a thorough examination of performance that supports all previous experiences with an organization. Through this research, the writer expects to answer some questions. How do

consumers perceive service quality in Stories Boutique hotel? Which dimension and attributes have met the guest expectations?; Which dimensions are perceived as the best quality in Stories Boutique hotel?; Which dimensions are perceived as the lowest quality in Stories Boutique hotel?; Overall, are the consumers satisfied with service quality offered by in Stories Boutique hotel?

2. Literature Review

2.1 Characteristic of Service

A service is considerably as intangible activity which provided by one party to another that does not cause in the transfer of the ownership. John (1999) The term "service" is frequently used to describe an industry that "does things for you." but they don't make goods. "Service" also refers to organizations that provide for societal requirements, such as "health service" and "civil service." With bureaucratic expansion in consideration, public service has become distinct from the "service" sector of industry. Despite this, numerous research on the service quality of these firms is founded on this notion, Singh (1991). It is not always the case that physical products result in the provision of services. When a person books a cinema, travel agent, hair do, massage they are purchasing a service. In the hospitality industry itself, the term "full-service hotel" refers to a hotel that provides several various services and charges them all. This sort of hotel normally charges a premium rate, but guests are assured that they will not incur additional substantial expenditures after booking. The fee typically includes expenses for food and beverage, SPA, laundry, turn-down service, shuttle service, room service, and conference space. A Limited-Service Hotel is the contrary of this. Full Service refers to a variation of different hotel categories, including boutique hotels, resorts, and aparthotels. There are 4 major characteristics in the service industry to determine the product which are intangibility, inseparability, variability, and perishability.

2.1.1 Intangibility

Services are naturally intangible. By this, it indicates that a service is impossible to be seen prior to purchase. For example, buying life insurance. Because consumers care about the

quality of services, providers must provide quantifiable indicators. The provider's location, price, equipment, and communication materials must all reflect the claimed service quality. On the other hand, intangibility does not indicate that the actual service delivery is intangible. In many circumstances, it will be viewed as an integral part of the service. The physical dimensions of a venue (e.g., a hair salon), equipment (e.g., hair dryers), and communication materials are all examples (e.g., flyers promoting the hair salon). These tangible dimensions are included in the customer's experience purchase. Additionally, they contribute to demonstrate the service's superiority. Gummesson (1994), In the traditional sense, customers do not purchase goods or services. They purchase an offering with numerous components, some of which are actions (service) and others which are things (goods). As a result, the traditional separation between products and services has become irrelevant.

2.1.2 Inseparability

Inseparability indicates as to the generation and consumption of services which occurring in simultaneously. Additionally, this indicates that services and the businesses that provide them are inextricably connected. In contrast to services, physical goods are generated, produced, and distributed, and at the end is consumed. While services at first are sold, then produced and used concurrently. After a product is manufactured, it may be taken away from the producer. The customer is not necessary to be present during the manufacturing process. However, in the hotel sector, which is a service, the client plays a critical role in the production process because his/her presence and active participation are required for the service to be successful. The consequences can be positive or negative, depending on the skill, attitude, and collaboration that consumers bring to the service interaction. A service, on the other hand, is created at or near the point of sale. For instance, when a person visits a restaurant, he or she places an order. She/he may, however, request preparation and delivery of the food, as well as waiter service. All these components, including the suppliers, are required for the service to operate properly and cannot be removed.

2.1.3 Variability

In the world of services, one of the most important characteristics is the ability to change. As a result, the quality of a service might vary greatly depending on who provides it

and when, where, and how they do so. For this reason, it is not uncommon for the level of service provided by several service providers, or even the same provider, to vary greatly over time. For instance, consider an international hotel chain. Since it is a well-known hotel chain, it may have a reputation for offering superior service. However, the standard of service will never be the same. One person might be truly joyful while providing exceptional front-desk service. Other staff members may simply be having a bad day and appear unresponsive or even unfriendly. Service variability is a challenge for a service organization whose purpose is to always provide constant high-quality services. There are several ways to cope with it. Staff members should first be selected based on their ability to consistently provide high-quality service. To prevent a decline in service quality, they should receive frequent and thorough training. The organization may also consider offering incentives to motivate employees to give constant quality service. Also, allow clients to rate their level of service satisfaction and establish avenues for complaints.

2.1.4 Perishability

The perishability of the tourism business is a crucial characteristic. The tourism and travel sector consumes goods and services concurrently with their creation. The meaning of it is they cannot be kept for resale or reuse in the future. This characteristic has significant implications for providers of services. When steady demand exists, perishability is not an issue. As a result of this, service providers have a difficult time adapting to changing demand. This is because demand is constant throughout the day. There are several ways in which service providers might increase their ability to match demand and supply. Demand can be shifted from peak to off-peak periods by applying various pricing at different times. Due to the unpredictability of customer demand, hotels and travel companies tend to overbook available rooms and tickets. Statistically, it is more cost-effective to find a substitute product for the consumer and cope with overbooking fines.

2.2 Consumer Behavior

Consumer behavior is studied through the lenses of psychology, sociology, social psychology, cultural anthropology, and economics. Hawkin, Best, and Coney (1992) made it

clear that it is about how people, groups, or organizations affect how people choose, keep, use, and get rid of things, services, experiences, or ideas that meet their needs. It is also about how these actions affect the consumer and society. Consumer behavior spans an enormous range. It begins with the pre-purchase stage, progresses through the purchase stage, and concludes with the post-purchase stage. According to Hawkins, Best, and Coney (1992), consumer behavior is dominated by 12 main components: Marketing activities, culture, values, demography, social position, reference group, households, personality, emotions, motives, perception, and learning are all included.

Zeithaml et al. (2006) recognized that service products may differ from tangible items in that they are intangible, produced and consumed concurrently, heterogeneous, and perishable. Therefore, these kinds of characteristics of the service industry's results are different because the consumers evaluate the process by assessing their experiences. Consumers must rely on subjective elements when searching for service providers, as opposed to items where concrete evidence is available. When prior experience is available, it plays an important part in the search and selection process. Consumers who lack past expertise, on the other hand, can compensate by depending on reliable and unbiased word-of-mouth sources. The idea is that, based on previous positive experiences, the consumers may become repeat customers and valuable sources of referrals to others. Consumers may find it more challenging to evaluate service products due to their high experience and dependency attributes. Recognizing Maslow's hierarchy of needs, including physiological, safety and security, social, ego, and self-actualization desires is essential to the service industry's ability to provide for its customers' every needs. Consumers could have different motives when deciding to purchase service compared to purchasing goods. Zeithaml et al (2006), The more essential a service is, the greater the level of the necessity. Consumers are likely to rely on personal sources during the information of finding services. Consumers might either buy a service or perform it themselves before purchasing it at the decision-making stage. Finally, when it comes to service items, each stage of the consumer decision-making process is distinct.

After purchasing service, there is a tendency for consumers to make a complaint. A study about Customer Complaint Behavior (CCB) is define by Jacoby and Jaccard (1981) as "an activity conducted by an individual in which the individual communicates anything unfavorable about a product or service to the company that manufactures or distributes the product or service, or to a third-party organizational entity". Consumer behavior research is

critical for understanding and forecasting consumer repurchase aim and loyalty, Day (1984). Although consumers who are satisfied users, non-users, or non-buyers of the goods may engage in complaint behavior, Jacoby and Jaccard (1981), most complaints are still made by unsatisfied users of the product Singh (1988). Many previous findings address questions such as: how consumers react when they are unsatisfied; what circumstances trigger complaint behavior; what types of consumers are more likely to take specific actions; what the complaint's objectives are; and why is it critical to properly address customer complaints, Jin (2010).

2.3 Customer Satisfaction

Customer satisfaction is a term that has no agreed-upon definition, according to McCullough (2000). "The customer's cognitive contentment or discontent with the sacrifice's return" was described by Howard and Sheth (1969). Oh and Parks (1997) describe it as a complicated human activity encompassing several cognitive, emotional, and undiscovered psychological and physiological processes, which is why it is so difficult to categorize.

Nowadays, customer satisfaction serves as the foundation for customer loyalty, which can result in a long-term connection. This promotes a culture of loyalty within the company, which benefits the company's image. Consolidating relationships with guests results in ongoing encouragement. As acknowledged, satisfaction with a customer occurs when his or her perception meets or surpasses his or her expectations, Hill (1996). Whereas Hunt (1977) defined customer satisfaction as a customer's imagined evaluation of his or her consumption experience. From another discipline, Oliver (1981) outlined it from a psychological purpose that is regarding customer emotions supporting his/ her expectations and consumption experience. According to the Oxford dictionary, satisfaction is [1] the great feeling you get after you've accomplished something or when what you intended to happen occurs; something that provides you this feeling, [2] the act of satisfying a need or want, and [3] an acceptable manner to handle a complaint, a debt, an injury, etc.

There are several techniques to measure customer satisfaction. According to Oliva et al. (1995), consumers' satisfaction should be the goal of product performance, rather than their expectations of it. As defined by Oliver (1997), customer satisfaction is a response that results from an element of a product's or service's design or from the product or service itself that provides a satisfying level of consumable contentment. Levels of dissatisfaction, according to Skogland (2004), are a thorough examination of performance that supports all previous

experiences with an organization. Comparing the customer's perceptions of an experience or a portion of an experience with what they had expected is the most common technique to measure customer satisfaction. This is referred to as the consumer expectations disconfirmation model. Essentially, the concept promotes that customers are satisfied when their expectations are aligned. If their expectations are not met, this results in a negative disconfirmation and dissatisfaction. When perception exceeds expectation, positive dis confirmations occur. The customer may be satisfied or perhaps pleasantly surprised. This concept of customer satisfaction presupposes that customer have expectations and can assess performance. Customers commonly make subjective judgements about a product's utility, benefit, and, most likely, income linked with its usage, according to the expectancy-value model. With all these judgmental characteristics, it has an impact on customer choice making.

Based on his research, Willard Hom (2000) divided Customer Satisfaction into two categories. Macro-models focus on the consumer rather than the "customer" A consumer is a person who uses a product or service, whereas a customer may or may not be a consumer. This concept emphasized that consumer pleasure and user satisfaction are more important to client satisfaction than buyer satisfaction and non-user satisfaction. Satisfaction with a product or service is a sort of satisfaction that incorporates the use and experience of the product or service. Oliver (1997). Those who pay for a product or service but do not use it frequently are unlikely to share the same level of satisfaction or discontent as the user. According to Erevelles and Leavitt (1992), there are seven types of micro-models for customer satisfaction.

1. Expectations Disconfirmation Model is comparing consumers pre-consumption expectation and post-consumption
2. Perceived Performance Model is a model is effective when a product or service performs so well that the consumer's post-purchase reaction disregards his or her expectations
3. Norms Models are standards that are not predictive expectations. As a comparison standard, the consumer looks at what "should" have happened.
4. The Multiple Purpose Model explains how buyers use many comparison standards to form a (dis)confirmation judgment about a product or service experience.
5. The Attribute Model is a concept in which the consumer employs three elements, such as causality, stability, and controllability, to determine the influence of attribution on satisfaction.
6. Affective Model in which emotion, mood, and interest influence (dis)satisfaction sentiments after a consumer event.

7. The Equity Model described the consumer's perception of fair treatment during the consuming process.

2.3.1 Customer Satisfaction Measurement

The customer satisfaction scales were largely adapted from Juhl et al (2002). Three primary questions were asked in this space to ascertain customer satisfaction. The questions covered their general level of contentment, their level of satisfaction in relation to their expectations, and their level of satisfaction in comparison to their ideal notional hotel. Numerous alternative theories of satisfaction measurement have been discovered by researchers. The expectancy-disconfirmation paradigm and its variants are the most prevalent. Customers compare real product and service performance to their prior experiences, as explained by the expectancy-disconfirmation model. Consumers are satisfied when their ideal expectations are matched or even surpassed. On the other hand, if what consumers perceive about their expectation falls short, dissatisfaction results. Satisfaction also can be classified as three factors, firstly is basic factors or known as dissatisfiers. It causes dissatisfaction when it is lacking but does not result in satisfaction when it is there. Customers evaluate basic aspects such as a service's minimum requirements, prerequisites, or qualifications. Secondly, excitement factors or satisfiers. . It engages customers by providing customer satisfaction while they are present but does not cause dissatisfaction when they are not. Customer satisfaction is influenced by the performance parameters in a symmetrical and linear manner. According to Matzler et al., (2006), the three-theory of gauging consumer satisfaction in the hospitality industry is as follows: front office, friendliness, service, and hotel room are fundamental criteria; wellness area is a performance component; and hotel restaurant and breakfast are exciting aspects.

2.4 Customer Expectation

Expectation is a fluid internal standard that is shaped by a variety of factors, including needs, aims, personality and many other factors. There are four elements of customer expectation scale that are mostly used in study from Turkyilmaz and Ozkan (2007). The expectation of personal fulfillment; the expectation of long-term quality; the expectation of a

certain product element; and the expectation of service excellence. In addition, past research has revealed that there are two primary approaches to examining the confirmation and disconfirmation of perceptual expectations: an inferred approach and a direct approach. The inferred approaches involve calculating the difference between performance expectations and performance evaluations by assessing customer service expectations and perceived performance. The direct method, on the other hand, necessitates the use of summary-judgment scales to measure confirmation and disconfirmation. For example, the customer can be questioned in person whether their service experiences surpassed, matched, or expectations were not met.

Customer expectations must be encouraged to a high level, so people have a reason to leave their home for something good. Selling service is harder than selling the goods, because people are expected to know what they want to have before they consume whether it is acceptable. By means, expectation can result in a temptation to make excessive promises in order to get the consumer in the door, while they come with a high level of expectations. This commonly happens in the service industry; it is because of a lack of communication between the marketer and the employee. The employee who has responsibility to deliver the service should be committed in the marketing decision to exhibit a reality check to those who plan the marketing.

Getty and Thompson (1994) argued that to be more of value, the expectation must be brought out before the services being provided; or then the risk is high that expectations will be contaminated by the perception of the existing service provided. In the same way, the employee must know what customers are being told to be aware of what customers are being promised in the service. However, there is also a valid argument from other researchers that measuring expectation before the service provided is also problematic, hence the guests could modify their expectations during the services being provided and use this experience to meet their standard. Moreover, if the modification in expectation can happen as the concern attached before their arrival to some places, the expectations may also change during their trip and create a new set of expectations.

2.5 Customer Loyalty

Traditionally, customer loyalty has been described as a behavioral indicator. Service loyalty is described as repeating purchases from a service provider, exhibiting a favorable

attitude toward the provider, and selecting only this source when a need arises. Customer loyalty and profitability have long been recognized to be inextricably linked. According to Reichheld and Sasser (1990), retaining just 5% more clients enhances profitability by 25% to 125%. Service loyalty is described as an organization's dedication to its consumers by considering and fulfilling their desires. According to research, the longer a corporation keeps a loyal customer, the more profit that customer creates. According to Hallowell (1996), having loyal consumers leads to increased sales, which leads to increased profitability. According to Bowen and Chen (2001), decreased marketing expenses, increased sales, and lower operational costs all contribute to enhanced profit through loyalty. By boosting retention by as low as 5%, a company can increase earnings by 25-85 %. According to previous research, five factors would be considered when determining loyalty: expressing positive feelings about the firm/company/service, referring the firm to others, inspiring others to try doing business with the firm, viewing the firm as the primary option soon, and conducting additional business with the firm. Customer loyalty is a tough notion to grasp, according to Bowen and Chen (2001). There are three methods for determining loyalty in general:

1. behavioral measurements.
2. attitudinal measurements; and
3. composite measurements.

Consistent, repetitive buying behavior is used as a measure of loyalty in behavioral assessments. The emotional and psychological attachment that comes with loyalty is indicated by attitudinal data. The focus of the attitudinal measurements is the sense of loyalty, engagement, and affiliation. A consumer may have a favorable opinion of a hotel but chooses not to stay there. Toh et al., (1993). While the composite measurements are about the product preferences of customers, brand switching tendency, frequency of purchase, recent purchase, and total purchase amount are used to estimate loyalty by combining the first two variables. According to Raman (1999), devoted consumers serve as a "vast marketing force" by making promoting and spreading positive word-of-mouth; these collaborative actions are a business's most effective form of advertising. Loyal customers increase sales by purchasing a broader selection of hotel products more frequently. According to Bowen and Shoemaker (1998), loyal hotel guests spend more on food and drink than non-loyal hotel guests. Serving loyal clients is undeniably less costly, in part because they are already familiar with the products and require less information. They are employed even on a part-time basis.

Bowen and Chen (2001) collected information from service employees regarding how devoted consumers want to work as employees. Customers have been spotted at several hotels advising other guests about the excellent cuisines on the premises. A customer's loyalty means that they need less information, but they also serve as an educational resource for other consumers. Jill Griffin stated various loyalty commandments in his book *Customer Loyalty: How to Earn It, How to Keep It*. Apply the 80/20 rule, which states that 20% of consumers contribute 80% of a service provider's revenue; in other words, not all customers are created equal. The serve first; sell second indicated that the service provider earns business with service that is satisfying, productive and personalized, so the service provider has to deliver all out, otherwise the potential customer will just leave. Furthermore, service providers also must be eager to seek out customer complaints and treat the complaints seriously and be responsive by utilizing all the technology tools such as customer self-service, email management, and live chat. Lastly, investing in customer loyalty research is only the key to understanding well and delivering the value of the service in the right way.

2.6 Perceived Value

Perceived value is a more recent area of study that is attracting more focus from marketers (Marketing Science Institute, 2001). Moreover, it is believed that perceived value consists of two unique components: the benefits acquired (economic, social, and relational) and the customer's sacrifice (price, time, effort, risk, and convenience). In numerous aspects, perceived value is subjective: it varies between customers, cultures and at a different time (1996) and Parasuraman (1997). Holbrook and Hirschman (1982) said in an experiential perspective that the consumption process had symbolic, hedonic, and esthetic dimensions. According to Batra and Ahtola (1990), there are separate utilitarian and hedonic components to the "thinking and feeling" dimension. Babin, Darden, and Griffin (1994) explored a specific hedonic and utilitarian component of purchasing value. Richins (1994) devised a system for grading a person's possessions. She included the utilitarian and hedonic components of items that people already own as a relevant factor. Perceived value occurs throughout the purchasing process, including the pre-purchase stage. According to Woodruff (1997), satisfaction is frequently defined as a post-purchase and post-use assessment. Olivier (1981). Thus, value perceptions can be created without having purchased or utilized the product or service, whereas satisfaction is contingent upon having used the product or service.

The development and transmission of value to tourists has become the preeminent competitive advantage in the hotel industry in situations characterized by intensifying worldwide rivalry and more discerning tourists. Flagestad and Expectation (2001). This final appreciation considers perceived value to be a variable that is experienced prior to, during, and after the purchase. As a result, at the time of purchase, the attribute of the tourism industry, for example, in the product of the hospitality industry and the price may be determining factors, whereas during and after use, the subsequent effects and results obtained are the elements values by the tourist itself. Holbrook and Hirschman (1982) the interactive relativistic preference experience of a consumer as the basis for defining consumer value, as well as the value-generating transaction between the customer and the product. They later claimed that the framework included eight customer values: efficiency, excellence, play, aesthetics, politics, morality, and self-esteem. According to Zeithaml (1988), the perception of quality influences the perception of value, which in turn influences the likelihood of making a purchase. Yet, in the leisure and tourism service, repurchase intention consumer loyalty is usually referred only by measure of consumer satisfaction or service quality. On the contrary, just because the consumers claimed themselves “satisfied” with the service offered, it doesn’t guarantee that the product or the service is of such good value.

2.6.1 Perceived Value Measurement

While unidimensional measurements of consumer perceived value omit social dimensions of service consumption, Sheth et al. (1991) established that some multidimensional benefit-oriented value frameworks integrate in addition to other constructs social value (such as emotional, functional, epistemic, and conditional value). Users of the service are linked to a social group by social value, which encompasses factors like social image, identity, social self-concept, personality expression, and the goal of social class membership, Bearden and Etzel (1982). Sweeney and Soutar (2001) customer perceived value measuring scale (PERVAL) is a well-established measure of customer perceived value that has been tested across a range of industries. Numerous customer perceived value measuring scales, such as PERVAL, are intended to investigate value as a linear process, with value being rated before to, during, and after service consumption, or simply by evaluating in-use value. Prior experiences or perceptions of price-quality ratios can also be used to make value judgments about the benefits and drawbacks of using a service or product. Most customer perceived value measuring instruments, on the other hand, are focused on post-use evaluations of a specific service, rather

than explicitly examining how the use of other services or items, or other imagined experiences, might affect consumer value judgments. Customer perceived value questionnaires are frequently performed during or following a service consumption event. In this context, deductive assessment of specified value categories is helpful since these types of customer perceived value measures (such as PERVAL) can be used to quantify the effect of customer perceived value on other variables such as customer loyalty or purchase intentions. Extrapolation of the findings to larger populations or businesses is then possible. Inductive value research (such as VALCONEX) on the other hand, is more suited to investigating individual experiences, especially from a long-term viewpoint.

Frequently, perceived value is measured using a self-assessment, unidimensional scale that interview customers to rate the value they obtained for their purchase. Regarding trustworthy and credible multidimensional measures, leisure and travel providers should be able to identify the dimensions in which they are outperforming or underperforming their previous measure and their competition. Semon (1998), Kantamani and Coulson (1996) stated the factor to measure may vary, such as societal value, which is subjected to the value of the product to society. Experiential value is correlated with the senses like the feels, smells, and physical appearance, meanwhile functional value was about the reliability and the safety of the product. Lastly, the market values which were about the product's worth related with the price. Sweeney, Soutar and Johnson (1998) found there are four factors as measurement of the perceived value product. Quality refers to the result of a product's production. Price was acceptable if the amount spent for the product under consideration was appropriate and social media highlighted the effect the purchase had on others.

2.7 Service Quality

There is a wide range of indicators that may be used to measure service quality, including customer satisfaction, decreased costs, customer retention and profitability. Since sustaining and measuring customer satisfaction is one of the most important aspects of quality development, there is a demand for hotel services and rising revenues. Customer satisfaction occurs when a customer believes that a service's requirements are fixed and aligned with his expectations. Three researchers, Parasuraman, Berry, and Zeithaml, began a large-scale study on service quality in 1983. They concluded that the criteria used in the measurement of service quality are only valued by consumers, and that all other evaluations are invalid by anybody

other than customers. Zeithaml (1983) defined service quality as an attitude pattern, linked to but distinct from satisfaction, that results from the contrast between expectations and performance. A long-term, comprehensive review of service quality is perceived, whereas a transaction-specific evaluation is satisfied. Parasuraman et al (1988). The question of whether expectations should be founded on experience norms, which means that customers should expect from service providers to improve their experience with that service organization, was raised by Woodruff, Cadotte, and Jenkin (1983). Moreover, there are many models to measure the service quality such as Technical and Functional Quality Model (Grönroos, 1984), GAP Model (Parasuraman, 1985), Attribute Service Quality Model (Haywood-Farmer, 1988), Performance Only Model (Cronin and Taylor, 1992), Synthesized Model of Service Quality (Brogowicz et, al., 1990) and many more. This research will focus on Attribute Service Quality Model (SERVQUAL). This model will determine and understand the difference between expectation from the customer and performance of the service provided. Moreover, the model will also help to identify the basic attributes that meet customer preferences and expectations.

2.7.1 GAP Model

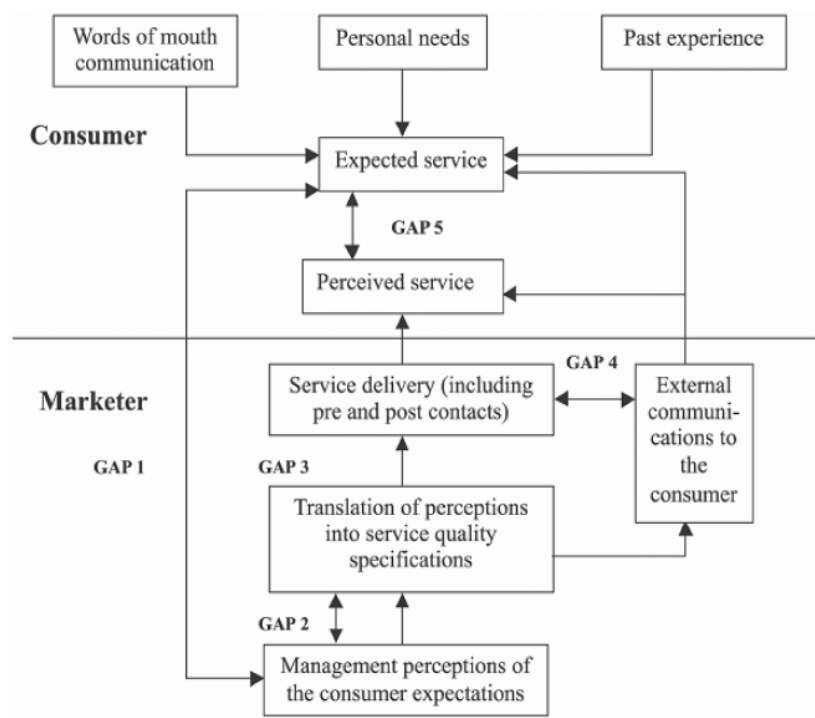
If the discrepancy between expectation and performance has a role in service quality, the author suggests that the quality aspects be considered simultaneously. They are as follows:

1. GAP 1: The Knowledge Gap, the difference between consumer expectations and management perceptions, i.e., not understanding what consumers seek.
2. GAP 2: The Policy Gap, the difference between the management's evaluation of consumer expectations and the service quality specification, i.e., the inappropriate service quality standard.
3. GAP 3: The Delivery Gap, or the performance gap between the service quality standards and the actual service delivered.
4. GAP 4: The communication Gap, whether the promises made to customers are consistent with the actual experience of service delivery, or whether they don't match the actual experience of service delivery.
5. GAP 5: The gap between a customer's expectations and their assessment of the quality of the service is known as the Service Quality Gap. The size and direction of the four gaps are determined by the quality of the marketer's service.

Moreover, there is a sequential five step approach is suggested as below:

1. Determine whether there is an issue.
2. Make sure that the service meets or exceeds the expectations of its customers. (Gap 4)
3. Determine client wants and service expectations. (Gap 1)
4. Based on the needs of the customer, establish service quality goals. (Gap 2)
5. Rethink the human resource structure to hire, train, and inspire personnel who are willing and capable of providing excellent service. (Gap No. 3)

Figure 1. Gap analysis model



source: Parasuraman et al, 1985

Lovelock (1994) introduced the Perceptions Gap, sometimes known as the sixth gap concept. GAP 5 highlighted the expected service-perceived service gap, with high and poor service quality ratings based on how consumers rated actual service performance in comparison to what they expected to receive. After gaps modeling, the drivers of service quality that customers utilized to interpret quality were described. The ten service quality criteria identified by Parasuraman et al. in 1985 and their respective descriptions are listed below.

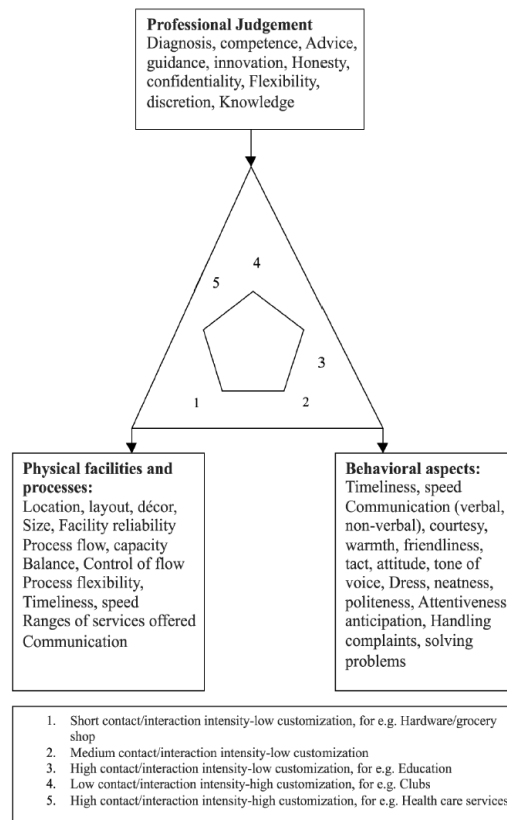
1. Reliability refers to a company's ability to offer consistent outcomes and reliability, as well as billing accuracy, maintaining accurate records, and delivering services on time.
2. Responsiveness: has to do with the readiness of an employee to deliver service, as well as the timeliness of service, such as answering a guest's query, returning a phone call quickly, and delivering rapid service.
3. Competence: possessing the required expertise and experience to carry out the task, as well as the knowledge and skill of the contact and support staff and the organization's research capabilities.
4. Accessibility: easy access and accessibility; the service is readily available through telephone; the wait time is not excessive; convenient operating hours; and the service facility is located in a convenient location.
5. Courtesy encompasses respect, attention, the friendliness of public contact people, regard for the consumer's property, and a clean, neat appearance.
6. Communication entails telling clients in a language they comprehend and actively listening to them, describing the service and its associated charges, and assuring the consumer that an issue will be remedied.
7. Credibility is trustworthiness, believability, honesty, the company's reputation, concern for the customer's best interests, and the personal characteristics of the contact staff all contribute to a company's credibility.
8. In addition to physical safety, financial security, and confidentiality, security is the absence of danger, risk, or uncertainty.
9. Customer understanding involves determining the customer's expectations, determining the customer's specific requirements, providing individualized attention, and recognizing the repeat customer.
10. Physical evidence and representation of the service, along with other clients at the service place.

2.7.2 Attribute service quality model (Haywood-Farmer, 1988)

In this approach, service is typically categorized by three fundamental characteristics: professional judgment, physical facilities and processes, and behavioral factors. It is the customer's desires and expectations that influence a service provider's level of quality. Moreover, each quality is comprised of multiple elements. These are assigning several types of services depending on the level of contact and involvement, labor intensity, and service

customization. Low-customization, high-labor-intensive services, such utilities, and transport services, are closer to the model's physical facility and process features. As a result, the model suggests that careful consideration should be given to the reliability and ease of use of client equipment at this time. The pinnacle of the triangle can be shown as below (Figure 2).

Figure 2. Attribute service quality model



Source: Haywood-Farmer, 1988

Haywood-service Farmer's quality attributes were commonly linked with the service quality determinants by Parasuraman et al., (1985). This model and its relationship to the work of Parasuraman et al. Service Quality Determinants (1985) can be interpreted as (table 1):

Table 1. Association of Service Quality Attributes and Service Quality Determinants

Haywood-Farmer	Parasuraman et al.'s
<i>Service Quality Attributes</i>	<i>Service Quality Determinant</i>

1. Physical facilities, processes, and procedures: location, layout, size, facility reliability, process flow and flexibility, capacity balancing, flow control, and service scope.	Tangibles
2. People's behavior and sociability: punctuality, efficiency, communication, warmth, friendliness, attitude, tone of voice, attire, neatness, courtesy, anticipating, addressing complaints, and problem-solving.	Reliability, responsiveness, access, courtesy, communication.
3. Professional judgment: diagnosis, counsel, guidance, inventiveness, honesty, secrecy, discretion, knowledge, and skill	Competence, credibility, security, understanding consumer.

Source: Ghobadian, A., Speller, S. and Jones, M. (1994).

The associated model shown in table 1 is usually focused with qualitative research. In 1988, Parasuraman et al. created SERVQUAL, an enhanced service quality measurement model. A seven-point Likert scale is used in the SERVQUAL model (Table 2), which has five dimensions and 22 items.

Table 2. SERVQUAL Model

Dimensions	Items
Tangibles: physical facilities. Equipment, and appearance of personnel	<ol style="list-style-type: none"> 1. The hotel's equipment is up-to-date. 2. he hotel's physical facilities and design must be visually appealing. 3. It is important for the hotel's staff to be well-dressed and presentable. 4. Physical facilities should reflect the sort of service provided.
Reliability: to perform the promised service dependably and accurately	<ol style="list-style-type: none"> 5. They should follow through on their promises as soon as possible. 6. When a guest has an issue, the hotel staff should be compassionate and reassuring.

	<p>7. hotels should supply their services as promised at the time they have stated in their contract with customers.</p> <p>8. The hotel must maintain complete and accurate records.</p>
Responsiveness: to help guest and provide prompt service	<p>9. Staff advise guests exactly when services will be provided.</p> <p>10. The hotel's staff provides excellent customer service to its guests.</p> <p>11. Customers can always count on the hotel's staff to go above and beyond for them.</p> <p>12. There is seldom a time when the hotel's staff is too busy to reply swiftly to inquiries.</p>
Assurance: courtesy knowledge, ability of employees to inspire trust and confidence	<p>13. The hotel's staff should be courteous and trustworthy,</p> <p>14. Employees at these establishments should be trustworthy, and customers should feel comfortable doing business with them.</p> <p>15. They also need to be courteous.</p> <p>16. Employees of the hotel should be given appropriate support to respond to guests' inquiries.</p>
Empathy: caring, individualized attention the firm provides its guest	<p>17. The hotel offers personalized service to each of its guests.</p> <p>18. All customers will find the hotel's operation hours convenient.</p> <p>19. Employees at the hotel pay attention to each one of their guests.</p> <p>20. In the hotel's best interest, customers are the hotel's top priority.</p>

	21. The hotel's staff is sensitive to the demands of its guests.
--	--

Source: Parasuraman et al., 2988; Finn and Lamb, 1991.

According to Parasuraman et al., SERVQUAL can be adapted to any service organization with minor modifications. The full information regarding the SERVQUAL can assist managers in determining areas for performance improvement. Knutson et al (1990) applying SERVQUAL to a hotel setting, customers place a premium on dependability and assurance. Due to the high means and minor modifications, there appears to be minimal discriminatory power within these two dimensions. Thus, people are dissatisfied when they are missing but not when they are present. Winiewski (2001) asserted that identifying the largest negative gaps in conjunction with an evaluation of where expectations are the highest permits prioritizing performance improvement. Fairly, if gap scores in some elements of service are positive, indicating that expectations are not merely met but surpassed, managers can analyze if they are "over-supplying" this aspect of the service and whether there is potential for resource redeployment into under-performing aspects. There are several approaches to discover underperforming services using SERVQUAL data. The sole purpose of gap scores is to assist service managers in continuously reviewing service quality and quantifying gaps that emerge. Bojanic et al (1994) in a restaurant application, on the scale of 1 to 7 the highest expectation scores were assurance with score 6.4, while the lowest was empathy with score 5.31. Even with the evidence of the data, the management could face a problematic issue. They could be unable to put the systems as it is to match or surpass customer expectation because they may be skeptical that customer expectation could be fulfilled when it comes to outstanding service. As defined by Zeithaml et al. (1990), effective service-quality goals include those that are created to meet customer expectations, are specific to the job at hand, are accepted by the employees, include critical job characteristics, are quantified with appropriate feedback, and are challenging but attainable. Peters and Waterman (1982) found that if a company is focused with non-financial vision such as service and quality, they tend to produce better bottom-line results than companies who focus with the financial goals.

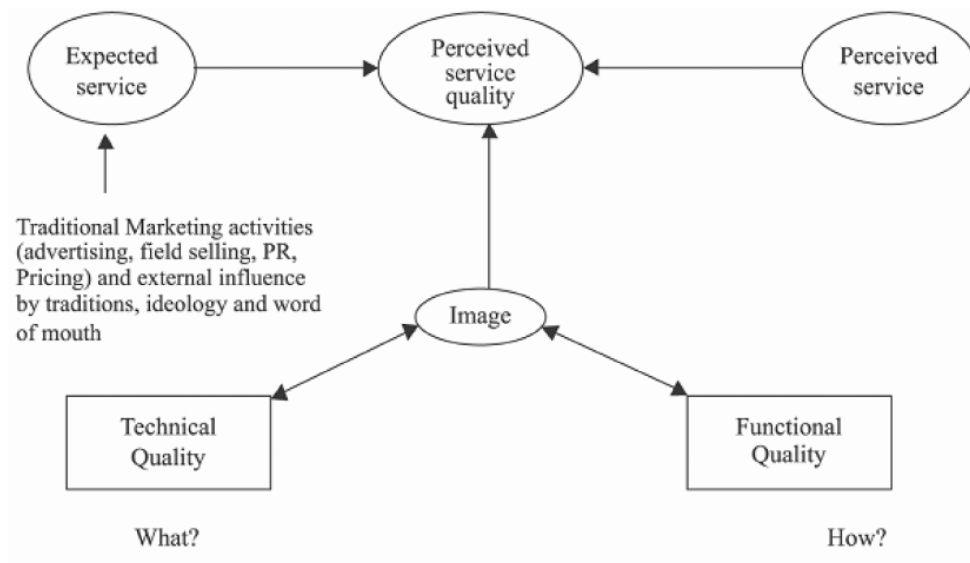
2.7.3 Other Supporting Service Quality Models

2.7.3.1 Technical and functional model (Grönroos, 1984)

Pointing out the consumer's impression of how quality and service quality are affected is one of the keys to successfully completing the measurement. Managing perceived service quality implies that the service provider must supply the desired service and be perceived by each other, resulting in consumer satisfaction. The service is largely immaterial and can be categorized as an activity in which production and consuming occur concurrently.

Technical quality model is likely known as the output of the process, i.e. What a consumer receives because of his contacts with a service provider is essential to his appraisal of the quality of the service. Moreover, the consumer is interested not just in what he obtains because of the production process, but also in the process itself. It is vital for the customer to evaluate the service he received. Thus, these two quality dimensions differ slightly: technical quality explains the questions posed by the customer, whereas functional quality focuses on how he receives it. Image as a quality dimension is vital for service providers to build technical and functional service quality. Consumer expectations are mostly determined by their perception of the company. Nonetheless, his expectations could be affected by a number of other variables. Despite this, the image may have a good resolution. If a consumer believes he is going to a good hotel, but the service is poor or the staff is unprofessional, he may still find justifications for his unfavorable experiences.

Figure 3. Service quality model



Source: Grönroos, 1984

2.7.3.2 Performance only model (Cronin and Taylor, 1992)

Customers' views of provider performance rather than the difference (or gap) between customers' perceptions of and expectations for a provider's performance are now being used to establish metrics for measuring service quality. Customer happiness and the willingness to purchase are studied in connection to service quality in this model. Calculate the difference scores to see if customer perceptions are a better predictor of service quality than hard data. A better way to gauge customer satisfaction is to look at how they feel about the service they receive rather than how well it really performs. According to the following formula, there are no expectations or weights linked to this model's evaluation.

$$SQ = \sum_{j=1}^k P_{ij}$$

Where:

SQ : overall service quality.

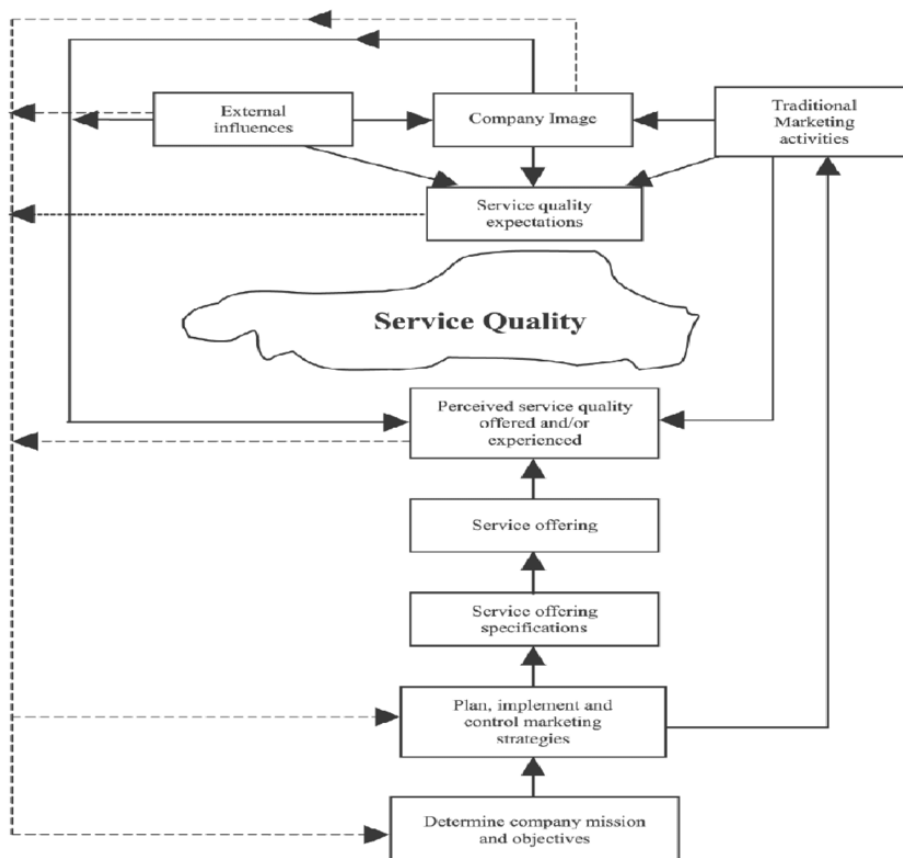
k : the number of attributes.

P_{ij} : performance perception of stimulus i with respect to attribute j .

2.7.3.3 Synthesized model of service quality (Brogowicz et al., 1990)

By combining the traditional management scheme, service design, and operational marketing activities into one framework, this approach is more focused and more effective as a whole. This model's major objective is to represent service quality in conventional planning, implementation, and control approaches. In this synthesis model of service quality, expectations for technical and functional excellence are influenced by a company's image, external influences, and traditional marketing operations.

Figure 4. Synthesized model of service quality

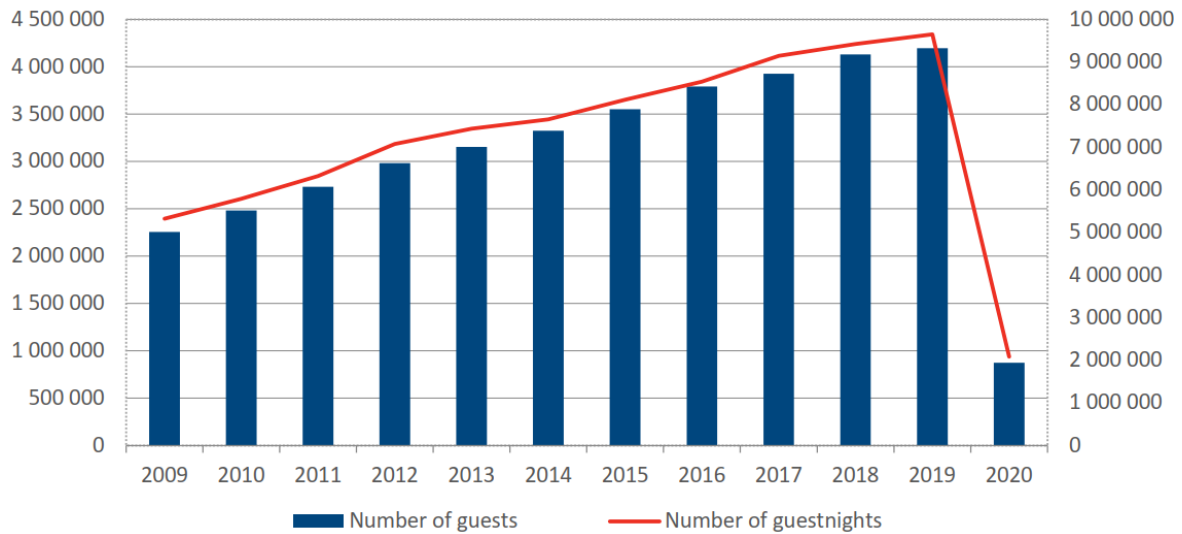


Source: Borgowicz et al, 1990

2.8 Hotel Development and Market in Hungary

The time between the late 1970s and the mid-1980s was unquestionably a turning point in Budapest's hotel business. András, a hotel professional who was being interviewed by vojazs.blog.hu stated that there were big differences in hotel development back then in 40 years. For instance, there was a problem of recruiting, staffing, and delivering a service. However, since then Hungary has now experienced a dynamic change in the hospitality industry. Budapest serves as the standard comparative model for the Hungarian hotel market. Budapest has over 26,000 hotel rooms, while the rest of the nation has about 30,000, indicating that Budapest is still the most popular tourist destination in Hungary. The proportion of domestic and foreign visitors is another element of the market in the country. The number of hotel in Hungary has gradually increased in recent years, with about half of them coming from outside the country. In 2019, commercial accommodations welcomed 12.9 million people, resulting in 31.5 million guest nights, with half of those tourists hailing from outside the country (6.2 million foreign guests and 15.8 million foreign guest nights). Without a question, 2020 will be remembered as an incredible and remarkable year, particularly for the hotel business. When COVID-19 and the impact of its occurrence began spreading throughout the globe in March 2020, the hotel business was one of the first sectors to be impacted, including Hungary. 2020, based on the performance of the first two months, may be the outstanding year in Hungarian tourism. In 2019, the hotel industry reported 25 million guest nights, and the first two months of 2020 saw continued growth in comparison to the previous year. In 2020, Hungary will host 5.2 million guests for 13.3 million guest nights, with domestic visitors accounting for 74% of the total. Domestic guest arrivals were 58% higher in 2020 than in 2019, and domestic guest nights were 61% higher in 2020 than in 2019.

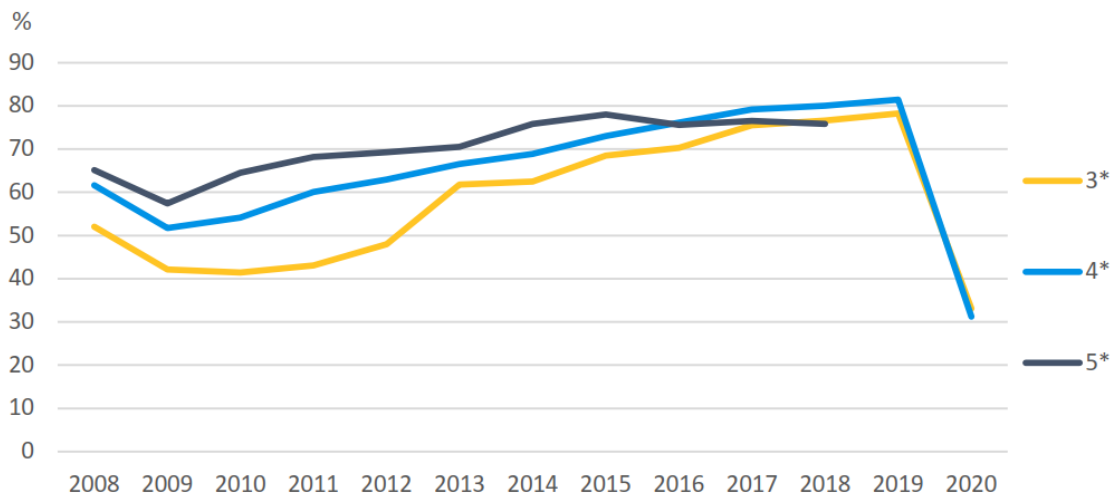
Figure 5. Number of Guest nights in Budapest Hotel (2009-2020)



Source: Colliers International

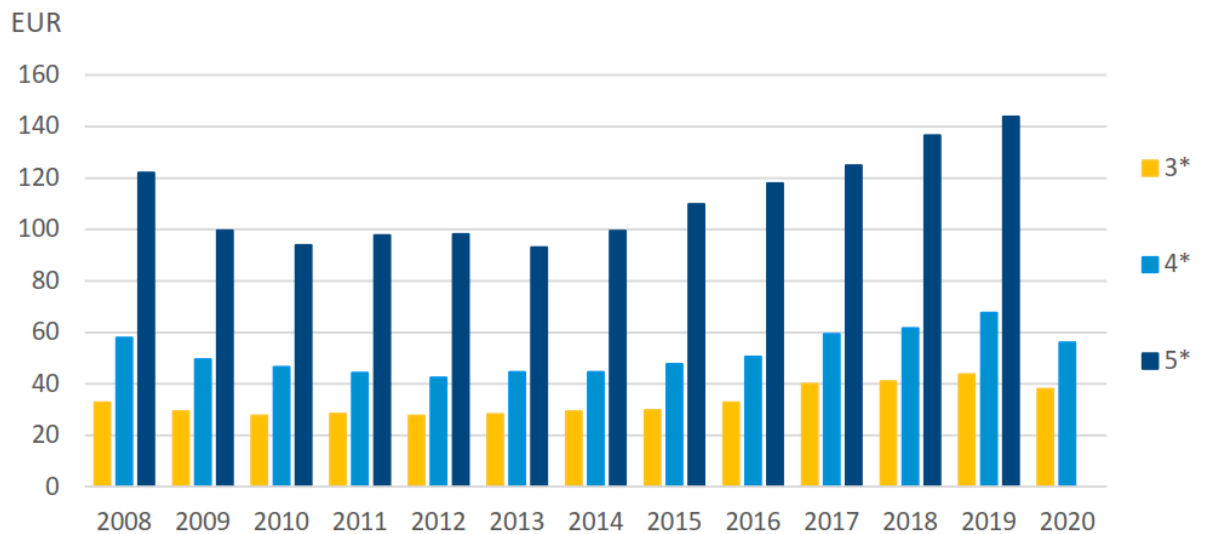
Discussing hotel occupancy and room rates during the pandemic. According to STR statistics, Budapest hotels had an average net RevPAR of EUR 71.2 in 2019, placing it behind Vienna (EUR 85.9) and Prague (EUR 74), but ahead of Poland (EUR 54.1) and Bratislava (EUR 54.1). (EUR 53.7). By the end of 2020, Budapest's average net RevPAR was EUR 17.4, placing it second behind Vienna (EUR 22.2) and ahead of Warsaw (EUR 16.2), Bratislava (EUR 16.1), and Prague (EUR 16.1).

Figure 6. Number of Hotel Occupancy (2008-2020)



Source: Colliers International

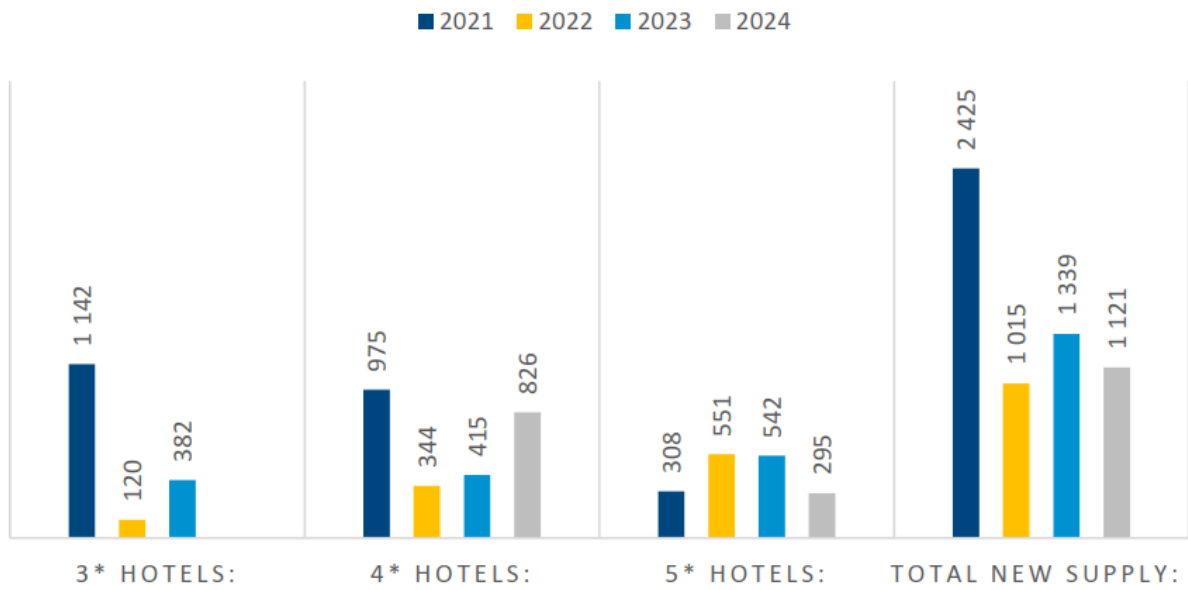
Figure 7. Hotel net ADR (2008-2020)



Source: Colliers International

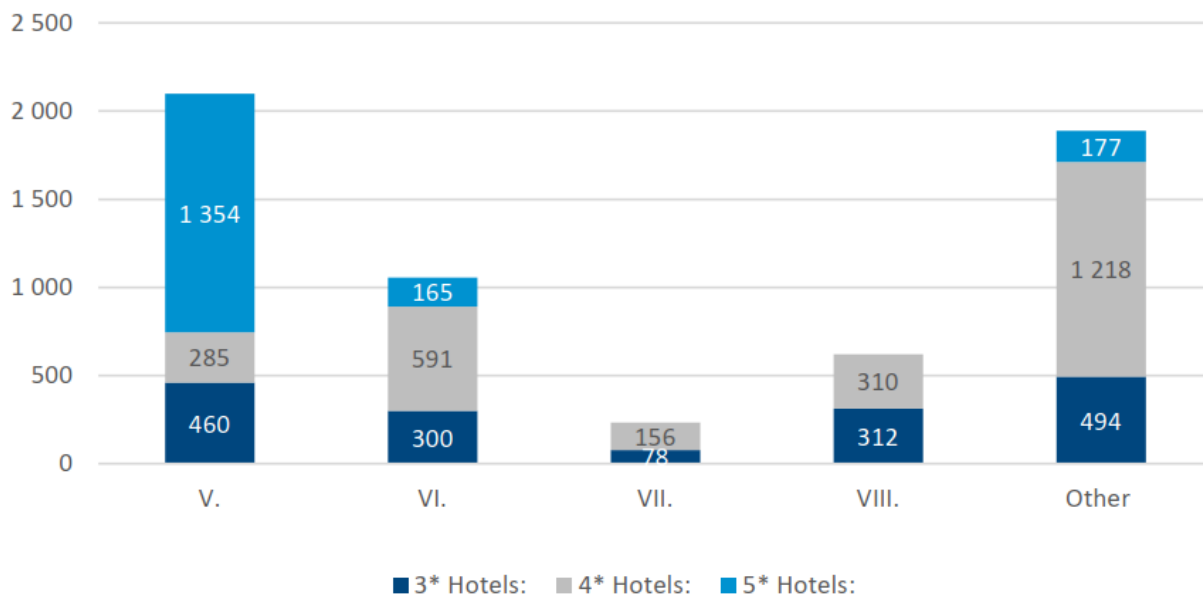
The hospitality business is continuing after the global pandemic has finally discovered vaccinations which happened last year earlier in H2 2021. By then, Hungary tried to have a faster recovery in the market. Moreover, Hungary itself has introduced a low VAT for the hotel business which is only 5% which makes room price becomes more competitive. The inevitable comeback of the hotel business in the future years may also be aided by the eventual regulation of the Airbnb industry. However, the latest government decision has considerably narrowed the Airbnb market. As Colliers found in 2020, the government's new short-term renting regulation only delegated authority to the municipalities to regulate short-term renting; therefore, municipalities have the authority to restrict the operation of short-term renting services, for example by capping the number of rentable days per year in an apartment. In 2019, the Budapest Airbnb market accounted for 1,9 million guestnights, the equivalent of nearly 2,000 hotel rooms, suggesting that the service maintained a significant market share prior to the epidemic. By the end of 2022, it is planned that an additional 1,015 hotel rooms will be provided, the majority of which will be 5-star properties. Most of these projects are presently underway and are slated to be completed by 2022. The majority of projects are focused in districts V, VI, and VII of the city.

Figure 8. Hotel Pipeline in Budapest Split by Category (2021–2024)



Source: Colliers International

Figure 9. Hotel Pipeline in Budapest Split by District (2021–2024)

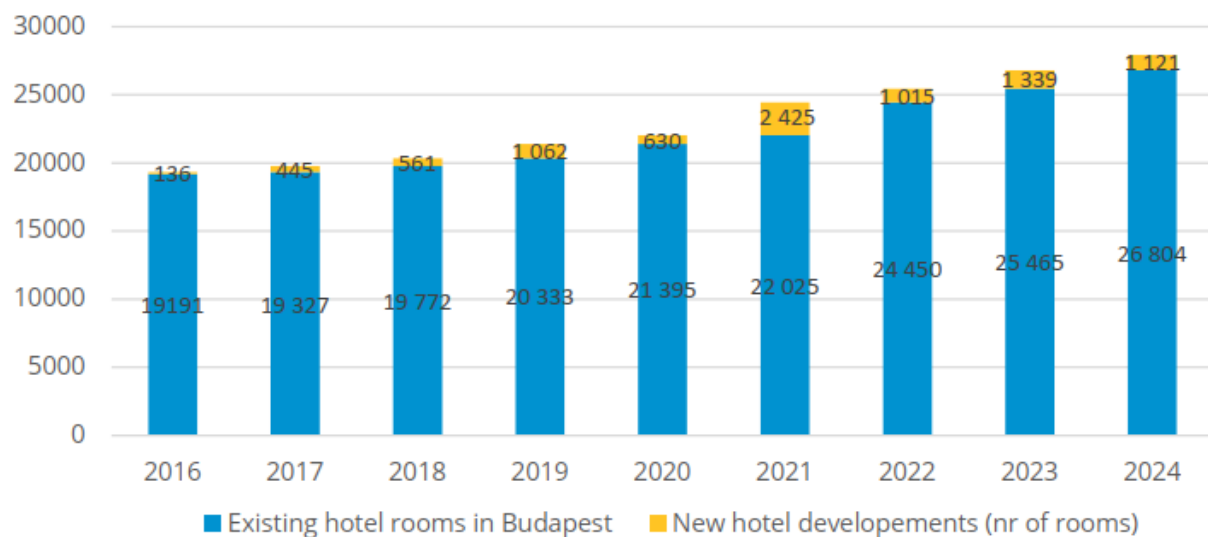


Source: Colliers International

Based on the current overview released on the law firm website from Two Birds by two senior associates in corporate and real estate, David Dederick and Gabor Helembai, these days hotels in Budapest, particularly those that rely significantly on foreign visitors, took a beating. In March and April 2020, tourist accommodations were mostly empty, with little growth in

May. Domestic tourism improved in June, but it quickly became evident that without international visitors, there was virtually no prospect of achieving the increased levels of prior years. Domestic demand, on the other hand, rescued the rural tourism sector, particularly around Lake Balaton, which was a beneficial development. Another encouraging sign, according to CBRE Hungary, was the increase in the number of rooms in the pipeline for 2020, which totaled 3,340 rooms in 27 assets across the country. The catastrophic global tourism figures and general market insecurity had a substantial impact on investments in the Hungarian hotel industry. In the first half of 2020, Hungary's overall transaction volume was EUR 66 million (down 44% year on year), with three asset deals. However, following the summer holiday, negotiations about future hotel investments resumed, and CBRE Hungary estimates that the total value of projects under offer or now undergoing due diligence would reach EUR 165 million by the end of 2020. Budapest performed well in regional comparisons despite difficult circumstances in 2020. (Which include Prague, Warsaw, Bucharest, and Bratislava). Only Warsaw had higher occupancy rates (33% vs. 30%), but Budapest beat the rest of the cities in terms of average daily rates and income per available room (EUR 78 and EUR 22).

Figure 10. Hotel Stock and Potential New Supply in Budapest (2016 - 2024)



Source: Colliers International

2.8.1 Hotel Quality Classification

According to the UNWTO, hotel categorization systems are widely used in the hospitality industry to inform consumers and intermediaries about the standards of various enterprises. However, hotels are classified based on many factors. For instance, the target market, size, location, facilities, the type of service, ownership, and the affiliation. Act of assigning numerical values to hotels, commonly in the form of stars (or diamonds), with one star representing minimal amenities and comfort standards, while five stars indicate opulent accommodations. To help bridge the gap between guests' expectations and the facilities and services available, it is important to inform them in advance of what they can expect. Grading, rating, categorizing, and star rating all refer to the same concept: the appraisal of hotels based on their amenities and standards. Sometimes, additional discretionary criteria are integrated with mandatory objective criteria in traditional classification systems. Auditors or inspectors examine for compliance with the criteria. Qualified inspectors carry out site inspections. Meanwhile, classification systems with ISO certified inspectors are a French classification system which is comparable to previous systems in that it only has mandatory criteria. Inspections are carried out by third-party inspection agencies that have been accredited.

UNWTO considers the possible criteria the classification for the hospitality establishment, for instance:

1. The level of comfort, which includes the 4 stars or 5 stars hotel, medium hotel, and also modest class.
2. the location of territory, for example if the hotel is located nearby mountains, seasons, treatment areas, in the city center, or along the road.
3. The purpose is functional or on time of guests' stays of guests, it could be a transit hotel or special purpose.
4. The operating system, the hotel either operates daily or seasonal.
5. The form of exploitation, it focuses on how the hotel pictures the services they have. It could be individual service, association, companies, or group (hotel chains)
6. A person's personal property can be owned by a private individual, a government agency, or a co-operative, as well as by the public at large.
7. The number of rooms in the hotel is considered while determining its size. Hotel sizes range from small (up to 150 seats) to larger (150-400 seats) (over 400 seats).
8. Trade, interest, or vacation could be the target market.

9. The level of service and amenities available, such as full-service, economy, or self-catering hotels.

2.8.1.1 Hotel Classification in Europe

Hotelstars Union was created in 2009 in Europe by HOTREC – Hospitality Europe, the hotel associations of Austria, Czech Republic, Germany, Hungary, the Netherlands, Sweden, and Switzerland. In the meanwhile, the following nations have joined the star family: Estonia, Latvia, Lithuania, Luxembourg, Malta, Belgium, Denmark, Greece, Liechtenstein, Slovenia, Azerbaijan, and Georgia. Criteria are in place for determining the categorization of hotels and their stars and guaranteeing quality and service to customers, transparency, and security for hotels, and addressing both environmental issues as well as the latest technological breakthroughs in the hospitality industry. Hotelstars Union categorized the hotel according to eight criteria of evaluation, with each criterion obtaining a certain number of points.

1. General Hotel Info: cleanliness, preservation condition, general impression, staff, car park, others, and facilities for disabled persons.
2. Reception and Service: reception area, cleaning of room/change of laundry, laundry and ironing service, payment and miscellaneous.
3. Rooms: general room info, sleeping comfort, bed width, bed length, room equipment, safekeeping, noise control/air conditioning, telecommunications, miscellaneous, and general bathroom info.
4. Gastronomy: Beverages, bar, breakfast, and food.
5. Event Facilities (MICE): banquet options and conference rooms.
6. Leisure: sport, spa/wellness, children, and others.
7. Quality and online activities: quality system, online activities, and others.
8. Minimum points: hotels and supplement “superior”.

There are the category of the stars and what each facility should include in each type of the hotel:

1. One-star hotel every room in a one-star hotel should have a shower/WC or bathtub/WC, and daily room cleaning should be provided. All rooms should be equipped with TVs and remote controls, and there should be free Wi-Fi in public areas and rooms., there is at least one table and chair, in the bathroom soap or body wash should be provided with

the sanitary products upon requested such as toothbrush, toothpaste, shaving kit, bath towels and should be changed every day, reception service upon check-in or for daily needs, cashless payment is should be available, extended breakfast, beverage offer in the hotel, also deposit of the stay may require.

2. Two-stars hotel must have whatever mentioned in the one-star hotel with additional breakfast buffet is provided, most of the room have to provide reading light next to the bed, linen shelves, bath and hand towels are a must, there should be bilingual staff to help the foreigners, also sewing kit and shoe polish utensils upon request.
3. Three-stars hotels are combination facilities from one- and two-stars hotels with additional reception should be able to deliver the service at least 10 hours, available to reach throughout digital communication such as email or online travel agents, or telephone 24 hours available. In addition, there should be a lounge suite in the reception area, a luggage service upon request, a minibar or beverage offering in the room, communication device upon request, audio or multimedia entertainment, and a hairdryer, cleansing tissue, and a dressing mirror in the bathroom, as well as a place or rack for luggage/suitcases. Additionally, laundry and ironing services are available upon request. Additional pillows and blankets available upon request, a complaint management system, and a website that is available in both English and international language.
4. Four-star hotels should have a reception service that is staffed for 16 hours per day and be physically accessible via digital communication or telephone 24 hours per day. The lobby should have seating and beverage service, as well as a bar or lounge space. 16-hour room service, minibar, or maxi bar. Provide comfortable sitting (upholstered armchair/couch) with side table/shelf, additional bathrobe, and slippers upon request, as well as cosmetic amenities such as nail file, shower cap, vanity mirror, and extensive storage space in the bathroom. International television channels are accessible.
5. There must be a person on duty at the front desk of five-star hotel 24 hours a day, seven days a week, to assist guests with everything from valet parking to concierge services to luggage storage to shuttle and limousine services to room service. Additional amenities should include a complimentary minibar and 24-hour room service for guests' convenience.

2.8.1.2 Hotel Classification in Hungary

The Hungarian Trade Licensing Office is responsible for enforcing a national hotel categorization system in Hungary. Hotels, convalescence hotels, wellness hotels, flophouses, apartment hotels, motels, camping, vacation resorts, tourist hotels, and youth hostels are just a few of the many types of accommodation available. There are additional basic classification criteria, such as the number of beds, the number of bathrooms, the number of restaurants or public halls, the reception, the lift, and the service, among other things. For the classes, Hungary uses scoring 1 to 5 stars with the facilities as below.

Table 3. Hotel Stars Facilities in Hungary

Hotel Stars	Facilities
1 Star	hall, bathroom, hot/cold water, restroom, lift, garage, and fridge.
2 Stars	the above-plus, telephone, TV, fax, room service
3 Stars	the above-plus, restaurant, maintenance unit, 24-hour reception, change bed sheet every twice a week, towel every second day, room service, photocopying, postal service, cultural/tourist information/
4 Stars	the above-plus conference room, minibars, stationery and telecommunication facilities, lift, 3 languages spoken in the reception, bed changes every 3 days, laundry service, room service, safes, and international newspapers.
5 Stars	the above-plus, 24 hours bellboy service, restaurant and 2 maintenance service, AC, and bed changes every 2 days.

Source: The European Consumer Centers' Network

2.8.1.3 Hotel Classification in North America

In addition, the AAA Inspections and Diamonds Rating is a well-known and respected hotel rating organization in North America. Service levels are outlined in AAA's five Diamond levels, which are: They determine which AAA-approved hotels and restaurants are best suited

to a customer's needs and budget. The diamonds were categorized into the following categories and market segments:

Table 3. AAA Hotel Classification

Diamonds	Description	Segment
Approved	AAA inspections are notable for meeting industry-leading standards.	Budget-friendly short holiday
Three Diamonds	A wide range of style and comfort options are available.	Family trip
Four Diamonds	The perfect combination of luxurious design and first-class amenities.	Couple or romantic travel
Five Diamonds	For a once-in-a-lifetime experience, a world-class luxury, comforts, and indulgence.	Ultimate relaxation

Source: aaa.com

2.8.1.4 Boutique Hotel development, concept, and attributes

In the worldwide accommodation market, segmentation has accelerated during the last decade, Albrecht, and Johnson (2002). Boutique hotels are typically credited to hotel developments by Ian Schrager and Steve Rubell in New York, Anouska Hempel in London, Adnar (2003). While designing Morgans in New York, Schrager and Rubell envisioned it as more like a boutique than a department store., they coined the phrase "boutique hotel." They established the same theatrical charm and elegant mystique in their hotels as they had at Studio 54, their famed nightclub. In their minds, hotels were more than just places to rest their heads; rather, they viewed it as a place for enjoyment, a visual feast. Different types of tourist lodging have evolved as a direct result of shifting markets, alterations in accommodation production, and, most significantly, new consumer preferences that reject most of the commercial hotel industry's homogeneity. Munsters and Freund de Klumbis (2005). Because of the global expansion of homogeneous, branded "box hotels" the hotel industry is particularly vulnerable to the trend toward product differentiation and segmentation. Adner (2003). Boutique hotels have emerged as an "attractive development in the hospitality sector"

because of product differentiation and segmentation in the lodging industry. It's no coincidence that most the city's boutique hotels may be found in the city's most happening neighborhoods.

Boutique hotel is described as a “pack, fashionable, and sophisticated establishment yet business”. As noted by Rutes et al. (2001), the advent of boutique hotels in the 1970s and 1980s was largely seen as an inventive response to the standardization and commoditization of the hospitality sector. When it comes to boutique hotels, Van Hartesvelt (2006) says they're characterized by their small size (20–150 rooms), four-star rating, on-site restaurant, exclusivity, and "housed in older, unique structures that have been repurposed from another use." Hotels with less than 100 rooms, defined internationally as boutique hotels, are "contemporary design-led hotels with exceptional levels of personalized service and high-tech facilities." Boutique hotels, it was thought, were able to compete with branded hotel businesses because of their distinctive style and distinctiveness. According to Aggett (2007) the boutique hotel sector's rise can be attributed to the uniqueness and design of its architecture, structures, and furnishings.

Because of the large mass tourism that took place throughout the 1970s, boutique hotels have become increasingly popular, according to Teo and Chang (2009), which was "characterized by identically designed international hotel corporations, commodified attractions, and limited travel patterns." According to Judd (2006, p. 330), boutique hotels are an example of post-Fordist tourism. Post-Fordist tourism, in contrast to Fordist tourism, emphasizes "narrow profit margins and large tourist numbers." As a result, the boutique hotel trend developed in the 1980s, as travelers sought outstanding lodgings and a hotel stay "that was an experience in and of itself." Freund de Klumbis and Munsters (2005). Although the word "boutique hotel" is disputed, it is usually recognized to refer to a "unique accommodation experience" that emphasizes stylistic originality, good service standards, and personalized visitor attention. McIntosh and Siggs (2005).

Five factors distinguish the boutique sector from traditional lodging, according to McIntosh and Siggs (2005). They are the property's exceptional character, tailor-made, the accommodation's home ambiance, the high quality of the standards given and the value-added nature of the physical location, and the people's knowledge and culture. Horner and Swarbrooke (2005, p. 369) highlight five distinctive features of boutique hotels:

1. A smaller hotel with a more personal atmosphere

2. a focus on stylish fixtures and fittings, as well as the right use of technology
3. Despite the presence of a "soft brand" in some cases, each hotel is perceived to have its own distinct personality.
4. a focus on contemporary aesthetics and the development of concepts by important designers
5. Hotels sometimes lack individualized treatment, but this is not always the case.

According to Teo and Chang (2009a, p. 84), "the significance of the touristic experience of place histories and cultural identities" is central to the concept of the boutique hotel. It is not a rule that a boutique hotel's design must be trendy and opulent, but it is commonly known that the design is one of their most distinguishing features. As a means of distinguishing themselves, most boutique hotels use their understanding of design and culture to imbue their facilities with an intimate identity. Moreover, boutique hotels typically feature a contemporary, fashionable, and upscale atmosphere. They strive to provide delicacy and luxury without overcharging. In addition, most of the rooms are typically independently adorned with an artistic and fashion-forward aesthetic.

3. Methodology

It is essential to measure customer satisfaction in the hotel sector to understand the perspectives of guests. Since the majority of guests have varied expectations regarding hospitality service, it is crucial to determine the customers' expectations, demands, and requests in order to bridge the gap between their expectations and the service provided.

3.1. Stories Boutique Hotel

Stories hotel is a boutique hotel new establishment with 4 stars category. It started to operate in 2018. Located in the city center and equipped with modern technologies from the lobby, rooms, and restaurant. The hotel itself has 4 different types of rooms: Superior room (17 square meters), Deluxe room (35 - 45 square meters), Junior Suite (65 - 75 square meters), and Presidential Suite (165 - 180 square meters). Likewise, Stories Boutique hotel also offers tailored-made fascinating pleasures and served in the guests' room for instance bartender service, cuts and hairdresser, makeup artist, tattoo artist, personal training, manicure and

pedicure, massage, photography, and yoga. With these all-advanced establishments, Stories Hotel obtained excellent reviews on Booking.com.

3.2 Questionnaire

As for proving Stories Hotel has performed its best, it is needed to do more research about the guest's satisfaction towards the hotel. Thus, SERVQUAL is used to determine which factors have already made the guest satisfied, and to track the performance development. The SERVQUAL scale by Parasuraman et al. (1988) was used as the principal survey instrument. The target population was guests who stayed in Stories Boutique Hotel. From March to April of 2022, one hundred questionnaires were distributed to guests. In total, 55 questionnaires were returned. This research will be undertaken in phases. The first step is to search for data as a theoretical foundation for customer satisfaction through a literature review. To conduct a literature review, numerous keywords, including customer satisfaction, service quality, customer loyalty, and a few other relevant terms, will be identified utilizing multiple databases. This step is taken to learn more about customer satisfaction in general and about the selected hotel, Stories Hotel.

3.3 Content Analysis

Data gathering is the next step; an online questionnaire was prepared based on the expectations and perceptions of the service users. The online questionnaire comprised 5 dimensions which each contained 32 items respectively for measuring expectation and perception scale. On a scale of 1 (strongly disagree) to 5 (strongly agree), respondents were asked to rate the hotel. Descriptive statistics was used to analyze the collected data. The mean values were analyzed to find if there was any significant difference in response. After that, they identified and elaborated concepts which refer to indicators of measuring service quality by using SERVQUAL model and dimension from the literature review. Furthermore, online review observations by the guest from an online travel agent (OTA) specifically Booking.com. The reviews will be analyzed from May 2021 - April 2022. However, the period of the time when this research was conducted will be the main focus timeline which is March 2022 to April 2022. Firstly, the reviews will be analyzed based on each indicator that Booking.com provides, they will be linked with the SERVQUAL dimensions and attributes. After that, the reviews

will be interpreted to which attributes it concerns about and analyzed to support the data from the guest related to each dimension.

4. Research Findings

4.1 SERVQUAL Analysis

The writer did the SERVQUAL analysis to understand and know more about the real situation on the site. Any service industry can use SERVQUAL because of its adaptability. Managers can use the SERVQUAL's thorough information to identify areas for improvement. Based on the hotel's service expectations and service perceptions, an online questionnaire was constructed. The questions are designed by the writer referring to the SERVQUAL model (Table 2) which consists of 5 dimensions and 22 items. The questions are overall related to the general feedback from the guests. Results of the main components analysis of the five service quality dimensions established for the study, including tangibles, responsiveness and assurance, reliability and empathy are shown below. From the total average of each dimension's mean, if the score is > 4.50 it will be rounded up to 5 and classified as Strongly Agree, while if the total score is < 4.50 it is classified as Agree. From the total mean from each dimension, this data is obtained as below.

Table 4. Dimensions' Scale

No.	Dimensions	No. of Attributes	Total Average
1.	Tangibles	13	4.26
2.	Reliability	6	4.33
3.	Responsiveness	4	4.52
4.	Assurance	4	4.45
5.	Empathy	5	4.39
	Total	32	21.39

Throughout the findings, most of the guests who have ever stayed in Stories Boutique Hotel indicated the service which is served has met their expectations and their preferences. As the table above shows, most of the indicators have a total average more than 4.00 which is classified as Agree, if we rank it will be shown as Assurance by 4.45 followed by Empathy 3.39. Next is Responsiveness 4.33 and the last is Tangibles 4.26. Moreover, only one indicator which is Reliability has a total average 4.52 which is considered as Strongly Agree. If these dimensions are broken down into the detail, we can see each attribute's score which has shown what attributes have met customer satisfaction and exceeded their expectation and what should be improved.

4.1.1 Tangible (Dimension 1)

Table 5. Tangible Attributes and Total Score

Attributes	Total Average
Easy accessibility	4.47
Neat & professional appearance of front office staff	4.45
Safe and secure hotel	4.42
Appealing interior and exterior design	4.40
Attractive lobby	4.31
Equipped with modern and comfortable furniture	4.29
Rooms are comfortable	4.25
Good quality and delicious foods are offered in restaurant	4.22
Hygienic bathrooms and toilets	4.18
Choices of menu, buffet, beverages are available	4.15
Bed are cleaned and arranged with washed blankets	4.15

Bath fittings, water and sanitation are proper	4.09
Rooms are very clean	4.04

Tangibles compared to other 4 dimensions has the lowest total average by 4.26. If each total score from tangibles is listed, we can clearly see the location or easy accessibility of the hotel has the highest score by 4.47. Choosing a business location is crucial when establishing an office, launching a new location, or relocating. A company's success or failure depends on finding a location that is convenient for both customers and staff. For example, if a company discover a reasonable location in the city center, but there's no parking nearby. It would be tough to persuade customers to purchase the product and facilitate employee commutes in this location, especially if public transit is unreliable or costly. Fortunately, since Stories Boutiques hotel is in the city center mainly in Kiraly Street 26, where there are many public transportations available, also surrounded by many upscale restaurants and bars which makes its location a melting point for the guest. Following the appearance of the hotel staff which obtained 4.45. The hotel staff's physical appearance contributes to the overall appearance, and their actions also contribute to the hotel's reputation. The front office staff dressed neatly and well, representing the concept of Stories Boutique hotel which are luxury and sophisticated. With its distinguished uniform, it makes the staff look professional for the guest.

Next is the safe and secure hotel, which scored 4.42. Guests anticipate a high level of hotel safety and security when they choose an accommodation to stay in. Trusting the hotel to protect them and their belongings while their stay is very important. The fundamentals of hotel safety have been addressed. Each room is equipped with a safe or lockbox. Password-protected Wi-Fi and peepholes are expected amenities for guests. Most rooms have a telephone system that guests can utilize to contact the front desk. It is assured that all telephones are accessible and that guests have access to them if they require assistance. Each room also has smoke detectors that are monitored on a regular basis for the safety of the guests. In a circumstance, guests will find the evacuation instructions easily accessible and understandable. The staff was also given CPR and basic first aid training. Every part of the hotel is additionally equipped with security cameras and alarm systems. As mentioned above, it is located in the city center, thus

the hotel is escorted by security 24 hours and also reception which runs 24 hours. Moreover, the guest's data such as personal information and credit card details which are registered in the system are well-secured.

The appearance of a business reveals a lot about what's going on inside and serves as a kind of signal for the type of consumer it wants to attract. The theme or specialization must be reflected in the design. Stories Boutique hotel as a unique and fancy establishment, it is designed with pastel color which makes it appealing. Thus, interior, and exterior design scored 4.40. The hotel lobby is the first visual impression a customer will receive while entering the establishment. The design of the lobby can influence a guest's first impression of the hotel and their whole stay. Stories Boutique hotel has the attractive lobby which gives guests a good impression with its design and complementary such as wine, beer, coffee, cocktail, cotton candy, chocolates and many more makes it obtain a score of 4.31. Stories Boutique hotel is relatively brand new, it was built in 2018. Thus, the hotel is equipped with modern technology such as Wi-Fi, tablet, cell phone, LED TV with connection to the internet, and many more. Also, equipped with a comfortable bed and sofa which scored 4.29. Proceeding with the modern equipment which are available in every room, it makes the room comfortable for the guest to stay and get a score of 4.25.

It is commonly seen in the 4 stars hotel to have the restaurant either for the guest of the hotel or public. The restaurant named Twentysix Budapest connected to the hotel. It is claimed as the greenest restaurant in the town, it has a concept as urban jungle which contains garden, studio and house which serves Mediterranean cuisines. It serves good quality and delicious foods with a score of 4.22. Conversely, it obtains a low score on the menu selection for the guest which is only 4.15. The variant of the menu selection which is served for the guest's hotel is limited. The breakfast menu is not a buffet, yet a la carte. If the guest desires to order the menu out of what the hotel had chosen, they will be charged additional price.

When it comes to hygienic and cleanliness of hotel, it shows in these terms Stories Hotel obtains a relatively low score. The cleanliness of a hotel is essential when a guest has to make a reservation. The priority for hotels should be to inform their guests on the need of good hygiene and sanitation. As a result, providing the finest possible experience and creating the most comfortable and clean environment is a no-brainer. Hygienic bathroom and toilets, which only get a score of 4.18. Moreover, the cleanliness of bed sheet changing is scored 4.15. In the

bathroom itself, there could be a problem related with sanitation and water, it has 4.09. Finally, the room cleaning has the lowest score at 4.04.

4.1.2 Reliability (Dimension 2)

Table 6. Reliability Attributes and Total Score

Attributes	Total Average
Behavior of staff while delivering service is fine	4.45
Accuracy in billing	4.40
Adequate staff are available to provide services	4.33
All mentioned ancillary services are provided at right time	4,33
Quick check-in and check-out process	4.27
Timely housekeeping services	4.25

In the hospitality industry being reliable and helpful is one of the keys to long-term business success. Great customer service requires not only adhering to best practices such as respecting customers' time, having a pleasant manner, and providing knowledgeable and resourceful resources, but also going above and beyond to surpass customers' expectations. The staff of Stories Boutique hotel seemed successfully to have known the service product they offer in order to educate the customer about certain services; thus, they believe the product will benefit them. While delivering the service, the staff also implemented a positive attitude, such as facial expression, body language, and tone of voice. By practicing a positive attitude, the behavior of the staff scored 4.45 which is the highest in this dimension.

Furthermore, billing accuracy is critical not only for supporting growth and retaining loyal consumers, but also for an organization's efforts to gather and use trustworthy data to shape future planning. Customer satisfaction can be badly affected by inaccurate billing, because when a guest understands there will be no hidden costs, they can form agreements with confidence and are more likely to return. Upon the booking, a potential customer most likely

knows the price they should pay, by this they feel secure and trust the hotel thus it is scored 4.40 which can be classified as a good service.

Hotel operations require a lot of manpower. People, as well as machines, are required to undertake many of the duties that result in high-quality products and services for the guests. If guests are expected to return and the hotel wants to establish a reputation for offering qualified service, staff at all organizational levels must be recruited and trained to regularly do their tasks successfully. Staffing refers to the process of employing people for jobs in which their skills are matched to the job needs for certain positions. Stories Boutique hotel offers a wide range of service; however, they also provide adequate staff to perform the service. Moreover, by having enough team members it benefits them to deliver the service in the right time properly. These two attributes obtained the same score of 4.33.

The check-in process at a hotel has undoubtedly developed through time. For any guest, fast service is one of the most significant factors. Due to an automatic check-in system, guests can proceed to their rooms without wasting time at the front desk. Hotels that still use manual entry methods increase the time it takes for visitors to check in and risk giving a bad impression. This just denotes "poor service." Stories Boutique hotel focuses on mobile check-in and kiosk. Guests have complete control with mobile check-in; they may even fill it out online and book a room of their choice. By doing online check-in the guests can know more about the services provided and can book them in advance. Using check-in kiosks or providing tablets in the lobby, customers may do much more than just check-in; they can even update their needs without having to wait for assistance. Using technology to optimize an automated check-in reduces paperwork and allows guests to check-in virtually. Guests who have been assigned a room number can quickly open their doors by presenting the form to be exchanged for the key. Using a cloud-based hotel reservation system, the front desk may automate billing processes and streamline the entire check-out process. Quickly print bills for business accounts, divide bills among roommates, and add point-of-sale invoices from multiple counters. The front desk might save the time spent on departmental coordination and phone calls and prevent the likelihood of errors. The score for this technological procedure is 4.27.

The housekeeping department at any hotel is crucial. Without housekeeping staff, a hotel's cleanliness would quickly deteriorate, making it impossible to maintain a high standard of service. When it comes to keeping customers satisfied, a hotel's housekeeping service is its backbone. The problem that arises in Stories Boutique hotel is the timing of the housekeeping.

They will start cleaning each room starting from 12:00 in the afternoon and until 16:00 in the afternoon. Having 38 rooms in the hotel with limited staff from the department of housekeeping, makes distributing the times and personnel may be hard. Thus, for this dimension, the time for the cleaning is the lowest score which is 4.25.

4.1.3 Responsiveness (Dimension 3)

Table 7. Responsiveness Attributes and Total Score

Attributes	Total Average
Staff is very friendly	4.58
Staff with good communication skill	4.56
Immediate responsiveness to customer request	4.47
Staff willing to pay attention to guest's needs	4.47

Reliability is ranked one compared to other 4 dimensions. It has an overall score of 4.52. With two attributes pointed above 4.50 which are staff enhanced by good communication skill and friendliness. In customer engagements, friendliness refers to the quality of behaving like a friend, that is, being kind, welcome, outgoing, and pleasant. The best method to grab the attention of guests and demonstrate expertise and dedication is to have a nice staff. A kind front desk staff will create a welcome environment for guests, and their warmth should be obvious to guests. As the only point of interaction between the hotel and the guest before accessing other areas of the hotel, they must always be polite and professional. Stories Hotel had trained their staff well, thus in this term the friendliness of the staff scored is the highest which is 4.58.

Furthermore, excellent communication is vital at all organizational levels for increasing productivity and maintaining pleasant working relationships. Those who devote time and effort into establishing open channels of communication will quickly acquire the trust of their colleagues, resulting in increased productivity, output, and morale. The management of Stories Boutique is proficient in communication and team management. Since they are great communicators, allocating tasks, resolving conflicts, motivating staff, and establishing relationships (all essential managerial responsibilities) become considerably simpler. Strong

communication includes not only the ability to speak with others, but also the ability to enable others to interact with one another. Facilitating solid channels of communication is vital. The ability of the staff to communicate with the guest is scored 4.56. In the hospitality industry, responsiveness is considerably important. The responsiveness of the staff shows that they listen to the guest's concern and are actively invested in helping them. By acting quickly, following up preemptively, and the willingness of the staff to help is scored 4.7 in both effectiveness and willingness attributes.

4.1.4 Assurance (Dimension 4)

Table 8. Assurance Attributes and Total Score

Attributes	Total Average
Well-trained and knowledgeable staff	4.49
Professional and experienced staff	4.47
Staff are with patience	4.44
Nurtured with helping nature	4.42

Training is viewed as the process that equips workers with the information and abilities necessary to perform within the procedures and standards established by management. In the contemporary hotel sector, it is all about people's skills, especially the attributes of the personnel. Service quality is determined by employee attributes. The survival and growth of a hotel are determined by its knowledge, abilities, and thoughts. An organization's ability to engage and inspire its employees by providing them with the essential information and teaching them about the importance of their work is a key benefit of providing employees with proper training. Training employees enhances their abilities and strengthens their competitive advantage. Personal qualities and professional abilities will be enhanced because of proper training. Not only employees, management, and the organization benefit from staff training, but also consumers and guests who obtain high-quality products and services. In terms of training the staff and professionalism, these two attributes obtained high scores which are 4.49 in well-trained staff and 4.47 in professionalism.

Hotel work is undoubtedly one of the most difficult occupations. Tourism- and service-based businesses rely heavily on positive customer recommendations, ratings, and reviews to develop brand loyalty and sustain long-term sales growth. High levels of customer satisfaction, excellent word-of-mouth marketing, and favorable brand linkages are dependent on the company's hiring of devoted and motivated employees who like their work. Patience is one of the abilities that employees must master. Possessing boundless patience when interacting with people is possibly the most important quality of all. It will be useful when the staff is faced with unreasonable requests and unreasonable expectations. In such situations, it is best to give extra attention to the consumer and maintain a steady, authoritative demeanor. Maintaining calm will prevent the customer from becoming more upset. With a score of 4.44, the patience of the personnel is regarded as satisfactory.

Moreover, the importance of guest nurturing in the hotel industry cannot be overstated. The staff will be able to create a better connection with the guests if they follow a good guest nurturing approach. It helps them in the education, informing, and building of confidence among the guests. The staff can nurture guests along the sales funnel and convert them into loyal customers with the right strategy and execution. The way to nurture the guest is to make the best first impression. The importance of first impression is agreeably accepted to attract guests and make them believe in the service provided. Ensuring that the customer experience on all the platforms has accomplishment with consistency. Always be aware that replying to the mails, attending all the calls, and responding to the online booking are simple but meaningful to maintain the relationship with the guests. Also, walking guests should get a warm welcome and well-treated as well. Always asks the guests how they feel about their stay. This also will allow the hotel a chance to make up for any inconvenience caused to them during their stay. By asking a question will help to understand the customer's insight. In nurturing the guest, it has scored

4.1.5 Empathy (Dimension 5)

Table 9. Assurance Attributes and Total Score

Attributes	Total Average
Listening carefully to the complaints	4.51

Staff to have guests' best interest at hearts	4.41
Staff associate themselves with the guest	4.40
Staff are nurtured with quick problem-solving ability	4.38
Curiosity of the staff to know the specific needs of the guest	4.27

People can tell if the hotel staff is genuinely interested in them or simply stating what they want to hear to get them out of there. When working in the service sector, empathy is an asset to have, and this applies to both customers and employees or coworkers. Genuine concern and interest in the other person's well-being will go a long way toward forming genuine bonds with them. If the guest sense that the staff cares, they will respond much more positively. One of the best ways to show empathy in the service industry is by listening to the guest carefully. By this point, the staff of Stories Boutique has already paid attention to the guest complaints, it has the highest score in this dimension which is 4.51. It is important to keep track of customer feedback both in the present and in the past. Let the guest know that they are being heard when they take the time to speak with the staff. As a result, guests are more likely to be satisfied with the service they receive when the staff listens to them. Demonstrate active listening skills by saying things like "It sounds like..." and "Do you mean...?" or "Let me double-check that I've got this straight." Moreover, to demonstrate that the staff heard them, also repeat the problem to them. Active listening also means that if the staff is aware of the guests' different character and current emotional state, the response may be tailored to fit the situation.

After that, according to the survey most of the guests are satisfied with the helpfulness of the staff which scored 4.41. Also, the capability of the staff to make gaps thinner while delivering the services, yet still professional, is also highly appreciated by the guest, it reached 4.40. Being proactive is an essential part in achieving an outstanding experience for the guest. Fulfilling the guests needs before it is asked, also identifying possible guest needs and strategies to address them before they become issues is an advance action. It is far easier to avoid problems by taking an active attitude and anticipating problems rather than reacting to them. Instead of dealing with the aftermath after the damage has already been done, the hotel can sustain customer satisfaction. Being proactive indicates a strong commitment to the company and its employees.

Staff with good problem-solving abilities can analyze problems, determine the severity of the problem, and consider the benefits of various solutions. Training should be conducted to develop the staff's problem-solving abilities. Thus, the staff can work more effectively, especially with guests. Being a self-assured problem solution is critical for both the staff and the hotel. A strong process to adopt when approaching an issue contributes to a lot of that confidence. The staff can solve problems fast and effectively with one. Without one, solutions may be useless or may become stuck and accomplish nothing, resulting in sometimes unpleasant consequences. The staff in Stories Boutique hotel shows that they are well-trained and very quick in response to the problem, by means this ability gets a score of 4.38.

Curiosity leads to a desire to get closer to the guest in order to gather information that will subsequently be used to generate stimulus on the guest, eliciting pleasant emotions like joy and surprise. Curiosity also means that the hotel wants to learn more about the guests who are being serviced. This has a specific value for the hotel, such as the ability to provide guests with tailored services, allowing the hotel to connect more easily with their emotions. Paying attention to nuances that others neglect, and even expanding the hotel's service offerings to be broader and more inventive. This will have an impact on the guest's differential perception of the hotel's services. For being intimate and curious about the guest's needs get a score of 4.27 which is categorized as good.

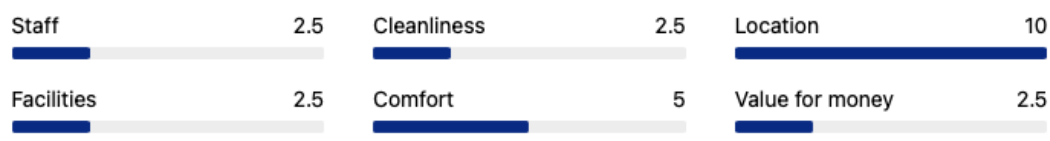
4.2 Online Review Analysis

Booking.com began as a little Dutch firm in 1996 in Amsterdam and has since evolved to become one of the world's top digital travel companies. As one of the largest travel platforms for established brands and entrepreneurs of all types, Booking.com enables hotels worldwide to reach a global audience and build their businesses. Booking.com currently has over 28 million reported lodging options, including over 6.2 million listings for houses, flats, and other unique places to stay. The site is available in 43 languages. In the platform Booking.com, Stories Boutique has scored 9.0 out of 10 which is considered as category Superb with the reviews more than 1900. Booking.com itself has its own score method as Superb (9+), Good (7-9), Average (5-7), Poor (3-5), and Very Poor (1-3). To align the scoring number, the writer chose to do rescaling to match with 1 - 5 scores. Scale (1-2) becomes 1, scale (3-4) becomes 2, scale (5-6) becomes 3, scale (7-8) becomes 4, and scale (9-10) becomes 5. From this score, the writer will break down each score and find the keywords to identify which attributes have to be improved or already reached the guest's satisfaction. The analysis is done by filtering the

section, for category Neutral (3), Disagree (2), and Strongly disagree (1) the writer will focus on the lowest score of each basic categories that Booking.com provided such as cleanliness, staff, comfort, value for money, location, and facilities. Whilst, for the Strongly Agree (5) and Agree (4) it will be more focused with the highest score.

Score 1 (very poor 1-3)

Figure 11. Very poor review



Bad experience

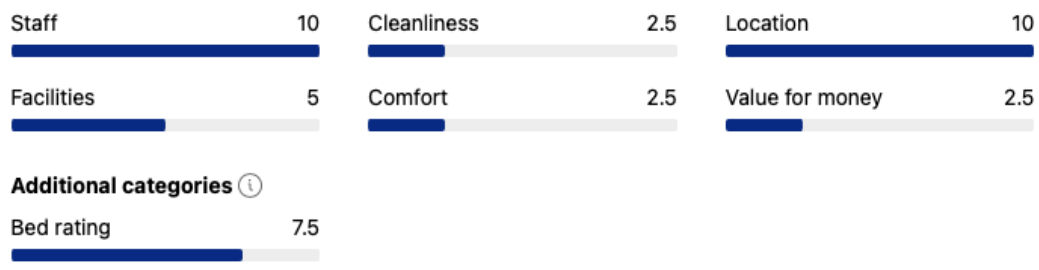
- ☺ Good location, reception is friendly
- ☹ -Small room -The sewer of the shower is blocked. Cannot take proper shower as the water flows into the room! -The reception is always away - It said there is newspaper, but it is a lie. - The LOMO camera is broken. After 6 photos, no film come out properly -No tea/coffee in the room, no kettle - good location but the neighbourhood is bad. As a summary, no worth the money at all

source: Booking.com

In this section of reviews, Stories Hotel received 5 reviews that showed if it is a very poor service. Firstly, it comes from the staff, most of the comment stated that the presence of the front office staff upon their arrival. The absence of the front office made them think that the staff are not always ready, thus their impression of the hotel has fallen below their expectation. Because of this, the readiness of the staff scored 2.5. Moreover, cleanliness also became a problem. “Didn’t feel clean to me”, “it is only cleaned properly when asked”, “bathroom cleaning”, “cleaning is not the best”, “they should improve cleaning”, and “unpleasant smell in bathroom”, these are the comments that focused on cleanliness. Most guests felt the hotel did not put much effort into cleaning, thus the cleanliness score was 2.5. After that, the facilities also became a concern of the guest. They expected they would be served what they had seen on the booking, for example this problem of the Lomo Camera for not functioning well, it also got a score of 2.5. Having a bad experience during their stays impacted with the value for the money, they concluded that their stays were not pleasant and not worth the money, it obtained a score of 2.5. For this score range, the guests consider the aspect of cleanliness, staff, facilities, comfort, and value for money are considerably important in order to feel their overall satisfaction. However, with all the bad reviews, the location of the hotel is the best for the guest. It reached its highest point which is 10.

Score 2 (Poor 3-5)

Figure 12. Poor review



Additional categories ⓘ

Bed rating 7.5

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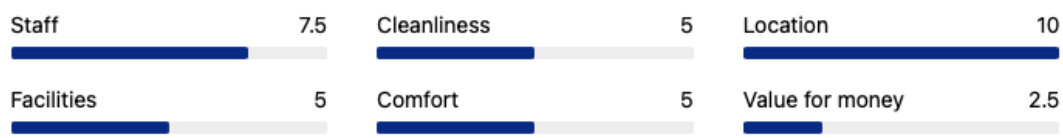
- 😊 The location is amazing, most in the center, most accessible and convenient
- 😞 The cleanliness of the room was terrible, dust on dressers and lamps. Mold in the bath, no hot water most of the day. The place with amazing potential but zero investment in cleanliness, comfort and order

source: Booking.com

In this section of reviews, Stories Hotel received 13 reviews that showed if it has a poor service. Cleanliness is still a big problem in this hotel. The comments found on the cleanliness section are “cleanliness was terrible”, “zero investment in cleanliness”, “the sink in the shower was stinks so bad, that smell even got in a room from there”, “had an extremely bad smell when we arrived which we didn't bring out during all the days of our stay”. “it was not clean and it was not cleaned properly, even on request”, “very dirty. The tiles in the bathroom are all stained and stained. The comforter under the duvet cover has brown stains. Towel stained”. These experiences obtained a very low score in cleaning which is 2.5. Moving to comfort, most of the guests in the range of score felt their stay was not pleasant because of the thin wall. “The sound insulation is very bad”, “No proper internet connection”, “it is very noisy”, “very noisy, you can hear conversations and screams in the neighboring rooms”. These comments about comfort are related to the noise that the neighbor made or either from outside the hotel where it was surrounded by many clubs and pubs. It obtained a score of 2.5. The facilities also became a concern of the guest. They expected they would be served as the best, thus it scored 5.0. Having a bad experience during their stays impacted with the value for the money, they came to the conclusion that their stays were not pleasant and not worth the money, it obtained a score of 2.5. For this score range, the guests consider the aspect of cleanliness, facilities, comfort, and value for money are considerably important in order to feel their overall satisfaction. However, with all the bad reviews, the location of the hotel and the staff are the best for the guest. It reached its highest point which is 10.

Score 3 (Average 5-7)

Figure 13. Average review



Okay. Would not book again.

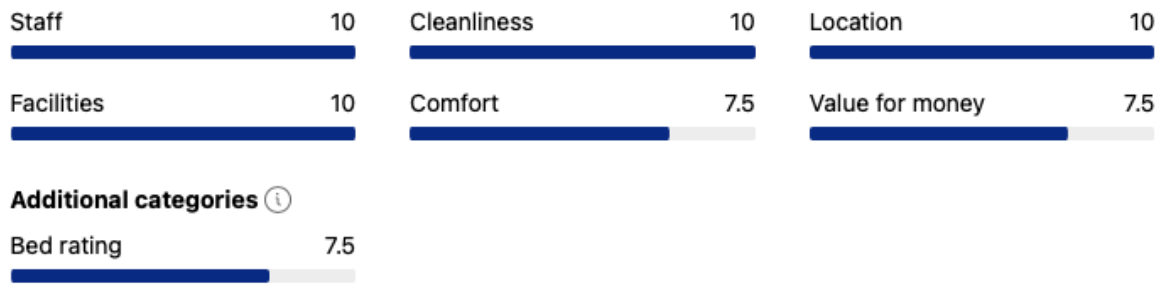
- 😊 Wonderful Location to explore the City. You can walk to the Danube and all its sights as well as to the main nightlife/fashion/food spots of Budapest. Staff was very helpful and friendly.
- 😞 Not being the cheapest choice for Budapest the hotel room was quite small and was not as clean as we expected. What was really disturbing was the smell of the room, especially the bathroom. Everytime we walked into the room we had to open the windows to the maximum to air the room and get rid of the smell. Furthermore there was a lot of noise.. Noise from the streer/nightlife was expected, but presumed some electronic devices (was not the fridge and not the aircon) made disturbing electrical hum during night times.

Source: Booking.com

In this section of reviews, Stories Hotel received 60 reviews that showed if it has an average score. For those who gave these scores, most guests are concerned about the value of the money they had to spend for staying in Stories Boutique hotel. Comments found related to the value of money “not being the cheapest choice with the smell of the room”, “limited service”, “extra cost for breakfast”. These showed that the guests felt spending their money to stay wasn’t worth the money because of the lack of service and hidden price. Guests expected by paying a certain amount of money, they would get the best in return. Moreover, cleanliness also became one of the aspects, it has a score of 5. Which are related to the smell in the bathroom, dust in the corner, and stain in the cup. Comfort also becomes their concern, there are reviews found that the bed is hard, electricity doesn’t work and the noise from the neighbor. Another factor that guests are concerned about is the facilities provided, there is a limited option menu from breakfast, small room, electricity problem, shower and parking lot. However, the staff is considerably helpful for the guest with the score 7.5 also the location remains the same with the score 10.

Score 4 (Good 7-9)

Figure 14. Good review



- 😊 Great location in the center of the city, next to many restaurant and shopping area. Very convenient having the great restaurant Twentysix at the groundfloor.
- 😞 The room was small and the atmosphere in the room was too hot. Airco seems to be not working. Windows could be opened but then there was too much noise from the street.

Source: Booking.com

In the score 7-9 which equals as good, Stories Boutique received 426 reviews where most of the reviews are positive about the service. The guests are satisfied with the staff's help "the staff's always helpful", "the staff always available", "staff is so welcome", "deliver good services", "friendly staff", and "the staff are courteous". For this range of score, most guests consider the cleaning has already been done perfectly, thus the reviews found mostly are positive: "nice cleaning", "pay attention to detail", also "good timing". Location has always been the top one, many guests found out this hotel has a perfect location, especially for those who wanted to explore the city with ease. Facilities also considered as good, whatever guests needs, the hotel could provide them. For comfort, it has a score of 7.5. Where the reviews found "too much noise", "a bit dark", "too hot", "noise from the electricity". Most guests considered with all the minimum comfort, it has affected them with the money they have spent, for them it was not worth the money.

Score 5 (Superb 9+)

Figure 15. Superb review

Staff	10	Cleanliness	10	Location	10
Facilities	10	Comfort	10	Value for money	10

 Translated from by Google - [Show original](#)

Amazing hotel. Worth a vacation

- 😊 Location of the hotel in front of the entertainment district. On the main street. Close to every experience and attraction in Budapest. The room is large. Gallery for a double bed on the top floor + It is important to request a bed with a quality mattress for another person in the living room and not accommodation on the sofa. The place is spacious. Every day they clean. Breakfast is pampering and served to the table. Selection of 6 dishes. Not a buffet. Daily cleaning of the room and change of towels. Very pleasant and cordial service. The hotel is new and modern. And feel it. We loved it very much.
- 😞 There is no balcony in the room. There is only one window that can be opened. And noise comes from the entertainment district area. This must be taken into account.

Source: Booking.com

The score 5 is categorized as Superb by booking.com where it is the highest score that the guests can give. Here, most of the guests are very positive with the feedback and enthusiastic to share their amazing experiences after staying in the hotel. Most of the comments are found talking about their personal experiences which are more positives compared to other sections. For example, “the location was perfect”, “staff were friendly”, “the room is comfortable”, “the room is large”, “availability of extra beds”, “cleaning is good”, “very pleasant service” and many more. It shows that the guest experiences have met their expectations thus they felt satisfied with what they got. However, there is still feedback or a complaint in this section, but the guests did not really emphasize this, and that experience did not make them less satisfied.

4.3 Comparison of SERVQUAL and Online Review

At the end of the questionnaire there are questions asked generally about their stays in the hotel. Also, their overall satisfaction and willingness to share their experiences to people. The result below shows the overall satisfaction which comprised 5 dimensions, explaining that the guests have reached the good point where they feel satisfied 4.47. Also based on their experience their willingness to recommend the hotel to their relatives is also considerably as

good, it is 4.47. Having a good service during their stays, the guests also have a heart to comeback staying in Stories Boutiques hotel with the score 4.42. Moreover, feedback is needed from the hotel’s side, yet attracts new customers. The guests feel leaving their footsteps and sharing their magnificent experiences on the online travel agent like Booking.com is important, which gets a score of 4.40.

Table 10. Additional Questions

Questions	Score
Your overall satisfaction	4.47
Willingness to recommend the hotel to your relatives/friends.	4.47
Willingness to return to Stories Hotel Budapest	4.42
Willingness to leave a positive comment (booking.com)	4.40

In Booking.com to find the connection with the SERVQUAL determinants, the writer aligned them with what determinants are available on Booking.com. The website itself gives a score for each determinant with scale 1 - 10. To align the scoring number, the writer chose to do rescaling to match with 1 - 5 scores. Scale (1-2) becomes 1, scale (3-4) becomes 2, scale (5-6) becomes 3, scale (7-8) becomes 4, and scale (9-10) becomes 5

4.3.1 Tangible

Table 11. Tangible Score with

Attributes	Score
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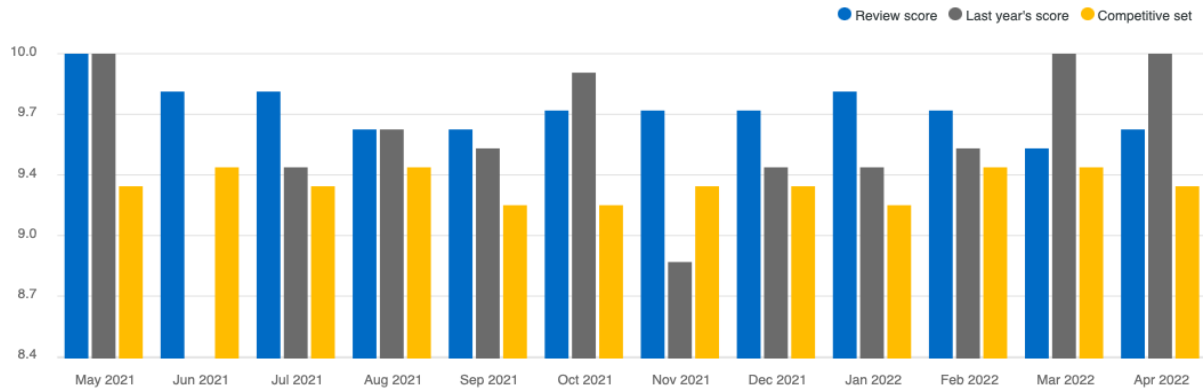
Location	4.70
Comfort	4.10
Cleanliness	4.10
Facilities	4.00

Source: Booking.com

Most of the guests are most likely to agree if the location of the hotel is very convenient for them. Stories Boutiques hotel is in the city center mainly in Kiraly Street 26, where there are many public transportations available, also surrounded by many upscale restaurants and bars which makes its location a melting point for the guest. Thus, in these attributes, it obtains the highest score which is 4.70. If it is filtered to the location section on Booking.com, it shows there are 12 reviews with the comments expressing satisfaction with the location. For example, the location is very well located, the location is strategic, the location nearby many interesting sites, and trendy location. Following with the comfort which obtained 4.10 points. Most of the reviews showed positive comments regarding the comfort. Such as, comfortable bed, also the room is functional and comfortable. It also happened with the cleanliness with a score of 4.10 points. With overall all reviews and feedback, there were 147 reviews. The comments found are mostly positive feedback of the cleanliness such as excellent cleaning, housekeeping's cooperation, and cleanliness in every section of the room. The last part of tangibles attributes is facilities, even though Stories Boutique hotel is a 4 stars hotel, and relatively new. However, it is equipped with modern installation. There are 12 comments found talking about the facilities, such as a spacious and very well-equipped hotel, the accessories and facilities are excellent, and provide many facilities.

4.3.1.1 Location

Figure 15. Location Yearly Review



Source: Booking.com

Throughout the year, Stories Boutique experienced a fluctuation on the review. With the highest score in May 2021 which reached 10 points. In June 2021, compared to the previous month, it went down 0,3 points but there is no comparison of the previous year in 2020 because the lockdown was still applied at that time. Moreover, during the summertime in July, compared with last year's score it was stable as in July 2021. In the summertime in August and September these 2 months the score decreased 0,1 which is only 9.6 points. In October, it went up again by 9.7 even though compared with the previous years in the same month it experienced a decrease. At the end of the last year from November until December, and also at the beginning of the year of 2022, the score was relatively stable and also higher than previous year. However, in March and April 2022, these two months have a huge gap in comparison with the previous year. March is the lowest score of the year, which only obtained 9.4 points, while in the previous year in the same month it was higher by 10.0 points. In April, it experienced a little increase by 9.6 points but still lower than April 2021. From the competitor's side, Stories Boutique hotel's location is still a lot better because most of the competitors do not have the same score, likely lower.

4.3.1.2 Comfort

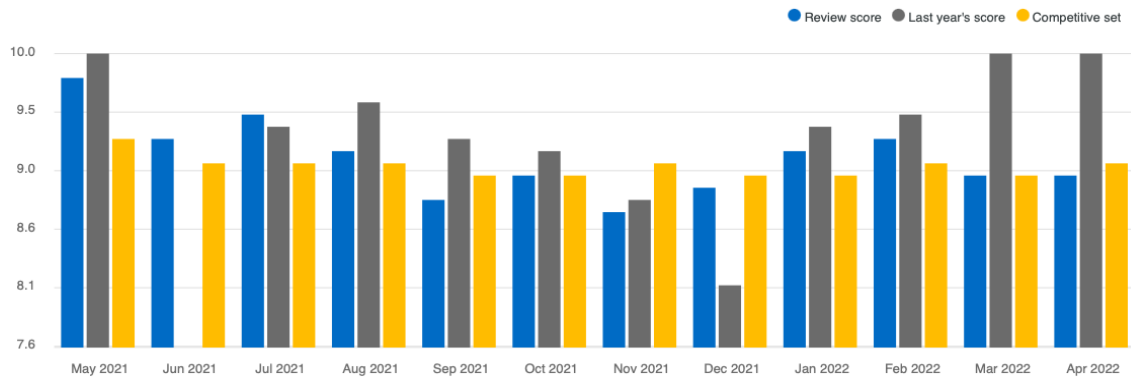


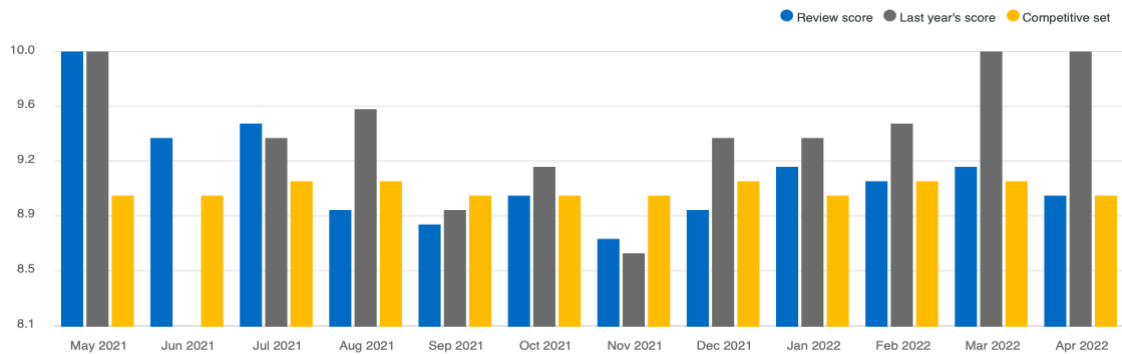
Figure 16. Comfort Yearly Review

Source: Booking.com

The comfort part has experienced fluctuations as well. In May 2021, it obtained a good score which is 9.8 points. In June 2021, it decreased by 9,3 but no comparison from the previous year as restriction was applied. In July, it grew by 9.5 but in the next two months, August and September, it fell to 0,3 point in August and 0,7 in September. In the next month, in October it went up again reaching 9.0 points. November is remarkable as the lowest score, which is only 8.6 points but comparatively the same as the previous year. The last month of the year, it went back up again and has a big improvement compared to the previous year. In the first two months of the year 2022, it went up to 9.4 points but declined again in the times of the survey which is March and April, only reaching 9.0 points. From the competitor's side, Stories Boutique hotel's comfort for the guest is very competitive. For the first three months in 2021, it seemed Stories Boutique was still the best. However, in the following months its competitors performed very well to serve a good comfort for the guests. During the period of the research, its competitors have reached the same level of points, which it forecasted that this indicator should be improved to push the points and sever a comfort stay.

4.3.1.3 Cleanliness

Figure 17. Cleanliness Yearly Review



Source: Booking.com

Cleanliness is essential in the hotel industry, most of the guests pay attention to the cleanliness, and the overall score reached 9.1 points. As it is seen, in May it was the highest score of the review. As the time went by, cleanliness also fluctuated. June and July 2021, the score was relatively high since it was the time where the covid restriction was lifted, and the hotel performed very well in cleaning, thus the guests left a good score on this. But during the last summer in August and also the beginning of the spring in September, these two months showed huge reduction, especially in August if compared with the previous year, it has only reached 8.9 points while the previous year was 9.5 points. In September, it even went down by 8.8 points but increased again in October by 9.0 points. However, in November it is shown as the lowest score throughout the year by only 8.7 points but higher than previous year 8.6 points. Last year, in December it reached 8.9 points. Moreover, in the current time January 2022 until April 2022, the graph shows relatively stable between 9.0 points and 9.2 points. From the competitor's side, Stories Boutique hotel's cleanliness falls behind its competitors, it can be an evaluation for the management to improve the cleanliness quality so it can serve the best as its competitors.

4.3.1.4 Facilities

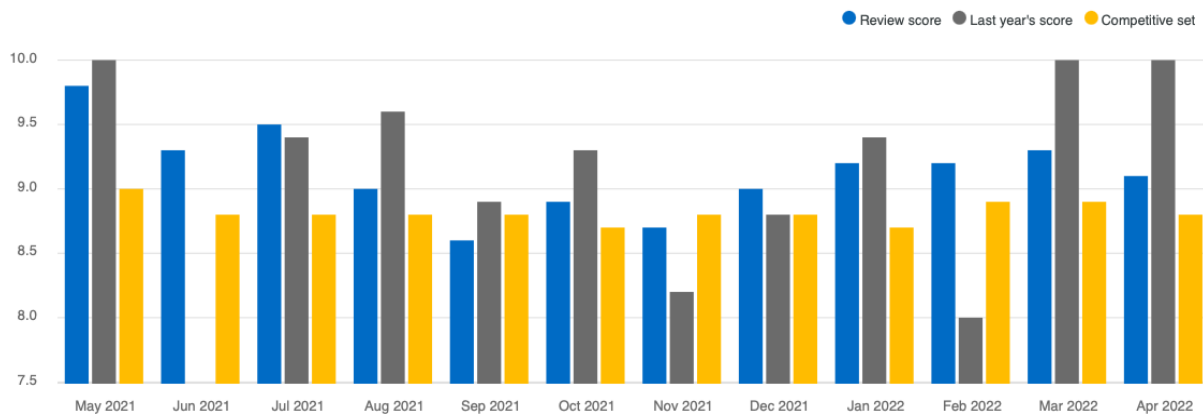


Figure 18. Facilities Yearly Review

Source: Booking.com

Hotel amenities include services, buildings, equipment, and anything else designed to fulfill a specific purpose in order to make the guests' stay at the hotel excellent and tailored to their needs. In overall score, facilities obtained a score of 9.0 points. Throughout the year, obviously it experienced fluctuation. In May 2021, it was the highest score which reached 9.8, while in June and July 2021, the score reviews are relatively the same by 9.4 and 9.5 points. While, in August and September it went down by 9.0 and also 8.6 points. In October, it went up again by 8.9 points but had to fall by 8.6 in November. From December 2021 until April 2022, the scores remained the same without any significant changes from 9.0 to 9.2 points. From the competitor's side, Stories Boutique hotel's facilities are higher compared to its competitors, it shows that Stories Boutique hotel is more advanced in its equipment and facilities.

4.3.2 Reliability

Table 12. Tangible Score with Score

Attributes	Score
Staff	4.20

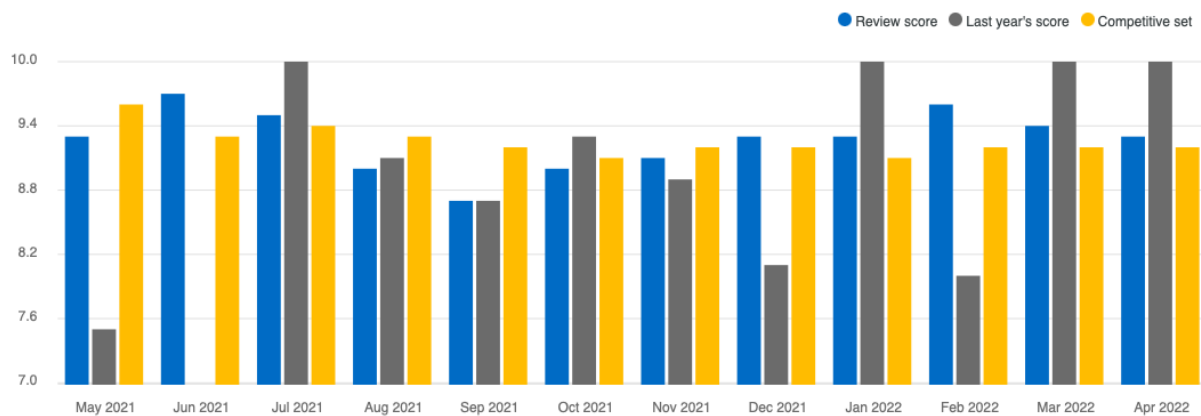
Value for money	3.90
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Source: Booking.com

Reliability in the hospitality industry is crucial, it shows how they perform with the service it promised and how accurate the service delivery is. Firstly, focusing on the staff as the key to run and deliver the service. On Booking.com, the staff has the highest score in this dimension which is 9.2 points. From the comments and reviews found, there are 318 reviews about the staff. Most of the comments are positive such as “The attentive and professional staff should not be ignored”, “Loved two of the three staff as they helped us a lot”, “Staff was very friendly and attentive”, and “staff at reception were exceptionally helpful”. Discussing the value for the money they have spent to stay in Stories Boutique, it gets 8.9 points. Most of the reviews showed that it is worth spending the money to get the tailored services by the hotel.

4.3.2.1 Staff

Figure 18. Staff Yearly Review



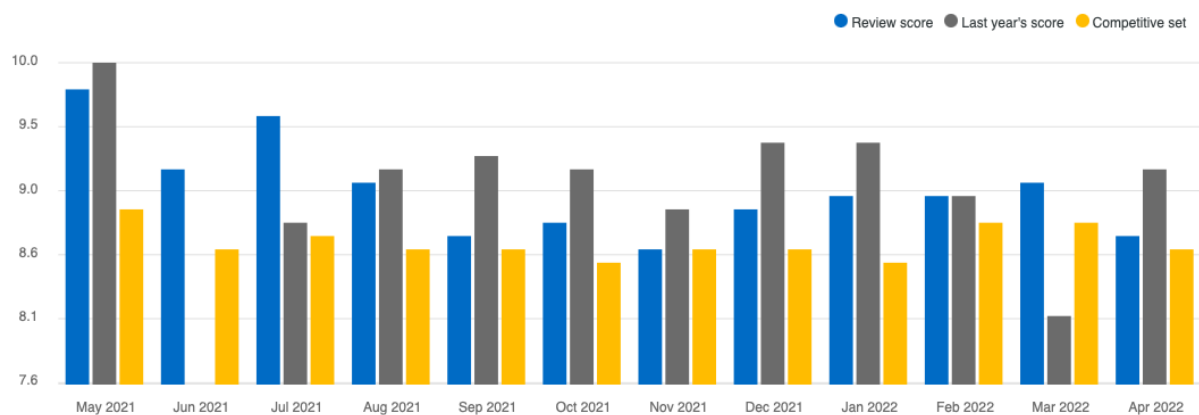
Source: Booking.com

From the graph it can be seen, there is always a change in the review scores. In May 2021, the score was 9.3 but it increased in the next month by 9.6 points. During the summertime, when the restriction was lifted, and many travelers started to go on a vacation and stayed in Stories Boutique hotel, it experienced a falling by 9.4 in July and in the following two months it was also a downfall by 8.8 points in August and 8.7 in September. The last quarter of 2021 it started increasing by 8.8 points to 9.3 points in December. In the beginning

of 2022, it has also experienced an increase. In January, it remained the same as previous year, however in February it was the highest score of the review so far by this year 9.6 points/ In March it started to change by 9.4 points and April is 9.3. Overall, most of the scores were not having significant changes. From the competitor's side, Stories Boutique hotel’s staff are comparable to its competitors in delivering the services. Thus, the staff are well qualified and can compete to deliver the best service.

4.3.2.2 Value for money

Figure 19. Value for money Yearly Review



Source: Booking.com

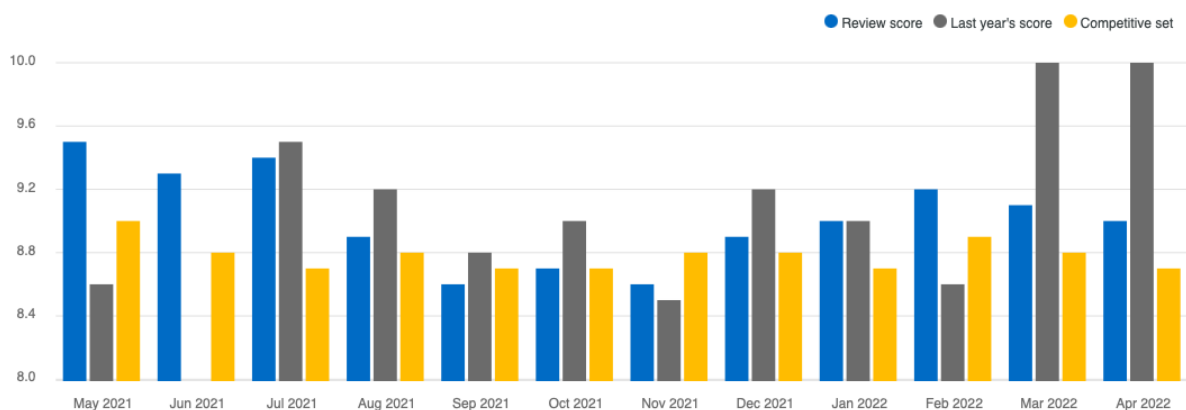
Something is valuable if it is worth paying. Stories Boutique hotel is a very trendy and modern hotel. With its offered facilities and services, throughout the year it changed. In May 2021 it had a good score which is 9.8 points. In June, it decreased by 0.4 points to 9.4 points. July brought the new high score, it got back to 9.5 points. Unfortunately, until the last six months they mostly declined from 9.0 to 8.5 points. However, in the next year 2022 the scores will slowly rise up, the lowest score happened in April 2022 which is only 8.6 points. Compared to its competitors, Stories Boutique hotels are very competitive in price. It is worth the money to stay in this hotel.

4.4. Overall score from Booking.com

While, on the online reviews Stories Hotel obtained a score of 9.0 which is considered as Superb by Booking.com with the basic category included on the reviews such as location, staff, comfort, value of money, facilities, and cleanliness. Throughout the year, Stories

Boutique experienced a fluctuation on the review. With the highest score happened in May 2021 where during that time, the restriction of traveling was applied due to the pandemic of Covid-19, thus the property was rented for a long-term stay for mostly local guests. By that time, it was manageable to maintain the service and adjust the guest expectation since the limited number of guests, thus most of the guests felt the services were perfectly delivered. Once the restriction was lifted in summer 2021 especially in June it started experiencing the fluctuation. The relatively low review score happened in September 2021 - November 2021 where it was the season for holiday. However, in the following year 2022 the reviews started to reach a higher point. Focusing on the last two months when this research is conducted from March 2022 - April 2022 it has experienced a reduction from point 9.2 on March 2022, became 9.0 on April 2022. From the competitor's side, Stories Boutique hotel's overall score is relatively higher, only in September 2021 it was lower than the competitor set, but as the time went by, Stories Boutique hotel has increased the score. As shown below, the graphic about the overall score monthly from May 2021 - April 2022.

Figure 20. Yearly Review Comparison



source: Booking.com

5. Discussion

5.1 How do customers perceive service quality in Stories Boutique hotel?

Parallel to what Woodruff, Cadotte, and Jenkin (1983) recommended regarding whether expectations should be based on experience norms, i.e., what consumers should anticipate from a given service provider to improve their experience with that particular sort of

service provider. Additionally, perceived value exists throughout the whole purchasing process, including the pre-purchase period. According to Woodruff (1997), post-purchase and post-use assessments are a typical definition of customer satisfaction. This survey reveals that, on average, customers assess the quality of service as 4.47 out of 5. In addition, its online review score was 9.0 points.

5.2 Which dimension and attributes have met the guest expectations?

The highest expectation means were for the dimension of responsiveness. Responsiveness indicates an expectation of customers towards the hotel's staff to be friendly, good in communication, very responsive, and willing to pay attention to the guests' needs. In this case, the attribute of friendliness has the highest score. Moreover, empathy which focuses on caring, individualized attention the firm provides its guests. The staff treated guests very well when needed, thus the guests felt their complaints were heard. Meanwhile, the dimension of assurance which focuses on courtesy knowledge, ability of employees to inspire trust and confidence. The staff performed very professionally in delivering the service and showed that they are very well trained. Also, next is the dimension of reliability, which means to perform the promised service dependably and accurately. To become more professional, the staff's behavior also must be honest and caring, and the least expected dimension was tangible which is about physical facilities, equipment, and appearance of staff. In this case study the highest mean score was the attribute of responsibility which is the friendliness of the staff, and lowest mean score is in the tangibles which is cleaning. The findings with respect to service quality revealed that the customers perceived service quality provided by Stoires Boutique hotels satisfying their needs, As acknowledged, satisfaction with a customer occurs when his or her perception meets or exceeds his or her expectations, Hill (1996).

Table 14. Highest Score of Each Dimension and its attributes

No.	Dimensions	Attributes	Score
1.	Responsiveness	Friendliness of staff	4.58
2.	Empathy	Listening carefully to the complaints	4.51

3.	Assurance	well-trained staff	4.49
4.	Reliability	Behavior of the staff	4.47
5.	Tangible	Easy accessibility	4.47

5.3 Which dimensions are perceived as the best quality in Stories Boutique hotel?

From the questionnaire most of the guests are satisfied with the friendliness of the staff. In customer interactions, friendliness refers to the characteristics of being like a friend, which includes being courteous, welcoming, outgoing, and pleasant. The most effective way to capture guests' attention and demonstrate knowledge and commitment is to have a pleasant staff. A friendly front desk staff will create a welcoming atmosphere for guests, and their friendliness should be evident to them. As the single point of contact between the hotel and the guest prior to the guest being able to access other areas of the hotel, they must always be kind and professional. The Stories Boutique management has successfully trained their staff well, thus the perception of the guest throughout the staff treatment has met their expectation. Compared with Booking.com the attributes of location are the priority of the guest. It exceeded their perception and expectation, because Stories Boutiques hotel is in the city center mainly in Kiraly Street 26, where there are many public transportations available, also surrounded by many upscale restaurants and bars which makes its location a melting point for the guest.

Table 14. The Highest Score Comparison (Questionnaire and Booking.com)

No.	Attributes	Dimension	Score
1.	Friendliness of staff	Responsiveness	4.52
2.	Location	Tangible	4.70

5.4 Which dimensions are perceived as the lowest quality in Stories Boutique hotel?

Tangible becomes the weakness dimension. Moreover, when it comes to hygienic and cleanliness of hotels, it shows in these terms Stories Hotel obtains a relatively low score. Since cleanliness is fundamental, thus the management must pay more attention to cleaning, consequently it has fallen below guest's expectations. Contradictory, on Booking.com while, the value of money is the attribute that has the lowest score, the guests expected the amount of money they have spent is worthy. But this does not meet what they expect.

Table 15. The Lowest Score Comparison (Questionnaire and Booking.com)

No.	Attributes	Dimension	Score
1.	Rooms are very clean	Tangible	4.04
2.	Value for money	Reliability	4.90

5.5 Overall, are the consumers satisfied with service quality offered by in Stories Boutique hotel?

Customer satisfaction occurs when a customer believes that a service's requirements are fixed and aligned with his/her expectations. Parasuraman et al., have conclude that the criteria used in the measurement of service quality are only valued by consumers, and that all other evaluations are invalid by anybody other than customers. Overall, the findings about a difference in provided service and customers' expectation in terms of 5 dimensions indicate that most of the guests who have ever stayed in Stories Boutique Hotel indicated the service which is served has met their satisfaction. As table 3 showed, most of the indicators have a total average more than 4.00 which is classified as Agree, if we rank it will be shown as Assurance by 4.45 followed by Empathy 3.39. Next is Responsiveness 4.33 and the last is Tangibles 4.26. Moreover, only one indicator which is Reliability has a total average 4.52 which is considered as Strongly Agree. From Booking.com, it has a limitation to group the dimension, since it only has several determinants. The writer aligned them with what determinants are available on Booking.com.

Table 16. Overall Comparison Score

No.	Dimensions	Questionnaire	Booking.com
1.	Tangibles	4.26	4.2
2.	Reliability	4.33	4.0
3.	Responsiveness	4.52	-
4.	Assurance	4.45	-
5.	Empathy	4.39	-

6. Conclusion and Suggestion

This research provides customer satisfaction in Stories Boutique hotel through questionnaires and content review analysis. To measure the level of satisfaction, The SERVQUAL scale by Parasuraman et al. (1988) was used as the principal survey instrument. SERVQUAL is a service quality measurement that is based on the determinants of service quality and gap theory. This study was aimed to analyze the guests' satisfaction level in Stories Boutique Hotel Budapest. As acknowledged, satisfaction with a customer occurs when his or her perception meets or exceeds his or her expectations, Hill (1996). By assessing hotel guests' satisfaction, hoteliers may examine their hotels' current situation in terms of achieving guests' needs and expectations. This should provide a more detailed indication of the hotel guests' sources of dissatisfaction.

Additionally, the results suggested that the responsiveness dimension (staff with strong communication skills and a friendly attitude) had a substantial effect on guest satisfaction. From here, it can be seen if the friendliness of staff becomes the strongest part of the Stories Boutique hotel determinants, therefore the management should keep this indicator in order to satisfy the guest with the service provided. Though the tangible dimensions may appear insignificant, they are a factor that must be considered when evaluating the hotel customers' service quality. The hotel's location and physical setting are well-known and accepted by the consumer. It becomes the plus point; thus, the location is also considered as the factor to satisfy the guests. Moreover, management must continue to manage the hotel's cleanliness because it

is critical for the service industry and hygiene; otherwise, the hotel's rating or classification as a hotel may be lowered. The housekeeping department has to double check the work in detail to make sure if the team has done the cleaning properly, using special and modern equipment for cleaning may help to ease the work, other than that there should be a list of indicators checked before the housekeeping leaves the room. Furthermore, the value of money also becomes the point that guests pay attention to, they may expect by spending a certain amount of money, they will get the excellent service provided. Thus, if the hotel keeps the price high, they must improve their facilities, service, or any other factors. Despite that, all the five dimensions received substantial ratings. This factor leads to the conclusion that Stories Boutique hotel, offer high quality services based on these dimensional aspects.

While conducting this research, it may even be related to a study limitation, as the sample is drawn for only two months. Future studies should examine a larger sample size over a longer period. Additionally, the study period was the middle season, as the performance of hotel services varies during the peak, middle, and low seasons.

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